
Do-It-All Goes
KNOW-IT-ALL.
FORD COMMERCIAL TRUCK
BUILT Ford TOUGH
Ford Commercial Trucks have always given you the muscle you need. Now, they're offering something no other truck has – brains. And with new available technologies that let you track your tools, keep an eye on your company vehicles, go online and create and print documents from an in-dash computer – they're making your workday more efficient. Plus, no one offers a wider range of work vehicles than Ford Commercial Trucks.* The top of the tool chain.
commtruck.ford.com
*Based on division offerings. Excludes SUVs and cars.

TAKE 20% OFF ALL HOUSE PLANS IN THIS ISSUE, SEE PAGE 129

WATERMARK AWARDS

BEST IN KITCHEN AND BATH DESIGN

See page 116

Builder

THE MAGAZINE OF THE NATIONAL ASSOCIATION OF HOME BUILDERS

MAY 2009

hanley wood



BUILDER 100 | A REBUILDING YEAR

Stung by losses, big builders look to create stronger companies for the future

WWW.BUILDERONLINE.COM


Do-It-All Goes
F-150
BUILT Ford TOUGH
Ford Commercial Trucks have always given you the muscle you need. Now, they're offering something no other truck has – brains. And with new available technologies that let you track your tools, keep an eye on your company vehicles, go online and create and print documents from an in-dash computer – they're making your workday more efficient. Plus, no one offers a wider range of work vehicles than Ford Commercial Trucks.* The top of the tool chain.
commtruck.ford.com
*Based on division offerings. Excludes SUVs and cars.
Go to http://builder.hotims.com for more info



KNOW-IT-ALL.
FORD COMMERCIAL TRUCK


www.armstrong.com/builder
Trademarks owned by AWI Licensing Company.
Armstrong Cabinets received the highest numerical score among cabinetry brands in the proprietary J.D. Power and Associates 2007-2008 Cabinet Satisfaction Study℠. 2008 study based on responses from 1,273 consumers measuring 6 brands and measures opinions of consumers who purchased new cabinetry within the previous 12 months. Proprietary study results are based on experiences and perceptions of consumers surveyed in March-April 2008. Your experiences may vary. Visit jdpower.com.

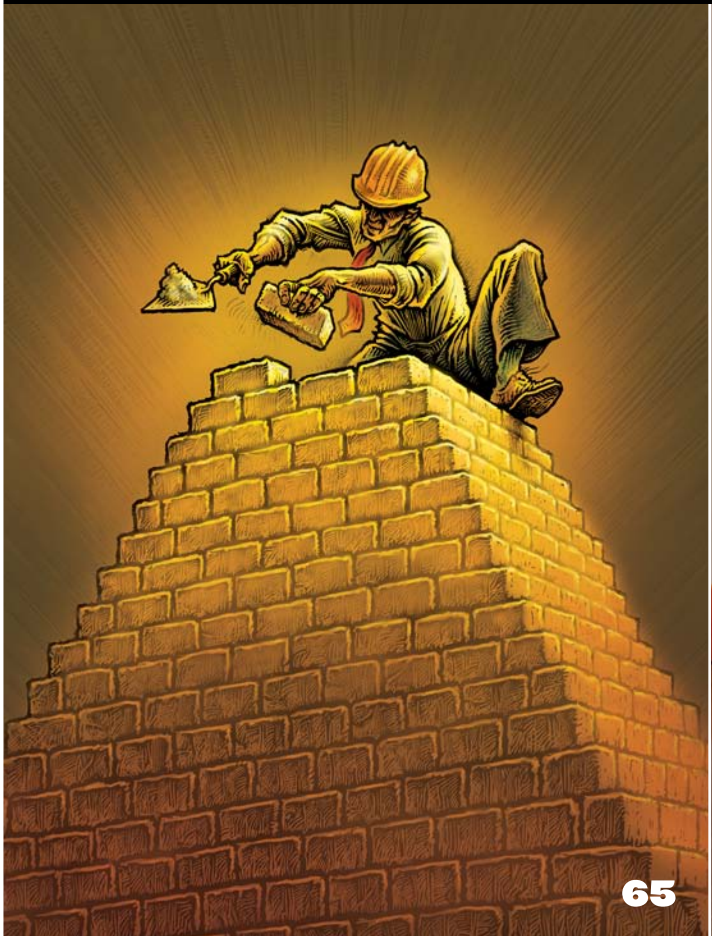

Armstrong® | CABINETS
Raise Your Expectations™
TURN SHOPPERS INTO BUYERS.
Our award-winning Pinnacle Service℠ turns shoppers into buyers. Raise Your Expectations with:
• Cabinets shipped in 10 business days or less
• Replacement parts in 3 business days or less
• Industry-leading on time and complete shipments
Armstrong's commitment to you also includes personalized design service, guaranteed measurement, and professional installation. So valuable and effortless, she'll have more time for herself and to tell the neighbors.
Go to http://builder.hotims.com for more info
Armstrong Cabinets was Ranked "Highest in Customer Satisfaction with Cabinets Two Years in a Row" by J.D. Power and Associates.
HIGHEST CUSTOMER SATISFACTION
J.D. POWER
AND ASSOCIATES
CABINETS • 2008
ARMSTRONG CABINETS


verizonwireless
Let Verizon Wireless make your job easier and business more productive.
Call 1.800.VZW.4BIZ Click verizonwireless.com/pushtotalk Visit a Verizon Wireless store


home has a new address.
Announcing Bank of America Home Loans.
Where your clients will experience a new approach to lending and service every step of the way. So they can choose the home loan that's right for them, and close it on time.
• Clarity Commitment™ — a one-page loan summary written in plain language so it's easy to understand, and there are no surprises.
• Web tools — an easy-to-use interactive guide designed to provide your clients with personalized answers about the entire loan process, including a better understanding of affordability and loan options.
• Mortgage loan officers — expansive network of specialists across the country who are ready to serve your clients whenever and wherever they need us.
Bank of America Home Loans
See your local Bank of America mortgage loan officer, call 800.344.9403
or visit bankofamerica.com/homeloans
Go to http://builder.hotims.com for more info
Credit and collateral are subject to approval. Terms and conditions apply. Bank of America, N.A. Member FDIC. Equal Housing Lender. © 2009 Bank of America Corporation. AR76546.

Builder

VOLUME 32 ISSUE 5 MAY 2009





FEATURES

Volume 32, number 5. BUILDER (ISSN 0744-1193; USPS 370-600) is published 12 times per year: monthly in Jan., Feb., March, April, May, June, July, Aug., Sept., Oct., Nov., and Dec. by Hanley Wood, LLC, One Thomas Circle, N.W., Suite 600, Washington, D.C. 20005, for the National Association of Home Builders and printed in the USA. Single-copy price: $8.00 (except House Plans issues, which are $12.95). Periodicals postage paid at Washington, D.C., and at additional mailing offices. Postmaster: Send address changes to BUILDER, P.O. Box 3532, Northbrook, IL 60065-3532. Member: Business Publications Audit, American Business Media.

DEPARTMENTS

ON THE COVER: AFTER A DEVASTATING YEAR OF LOSSES, THE BUILDER 100 LOOKS TOWARD BUILDING A STRONGER FUTURE.

COVER ILLUSTRATION: PHIL FOSTER



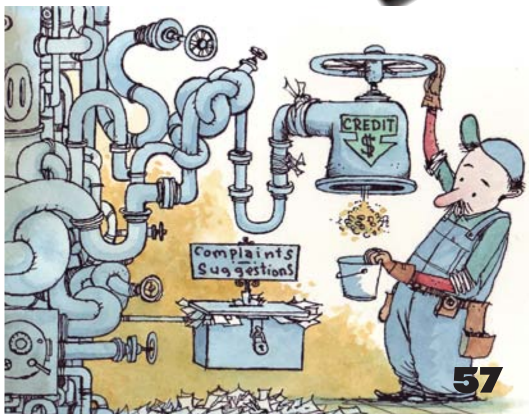
29



37



49



57

WHAT'S NEW ON: WWW.BUILDERONLINE.COM

Builder Online

Crunch the Numbers

Make the most of the BUILDER 100 data by checking out the data search options available at BUILDER Online. With the ability to sort by product type and location, you can see who is building what, where. Also, get detailed information on every company listed in the BUILDER 100 and Next 100 with click-through company profiles. And, BUILDER Online gives you access to past lists and articles for a comprehensive view of the industry's largest contenders.

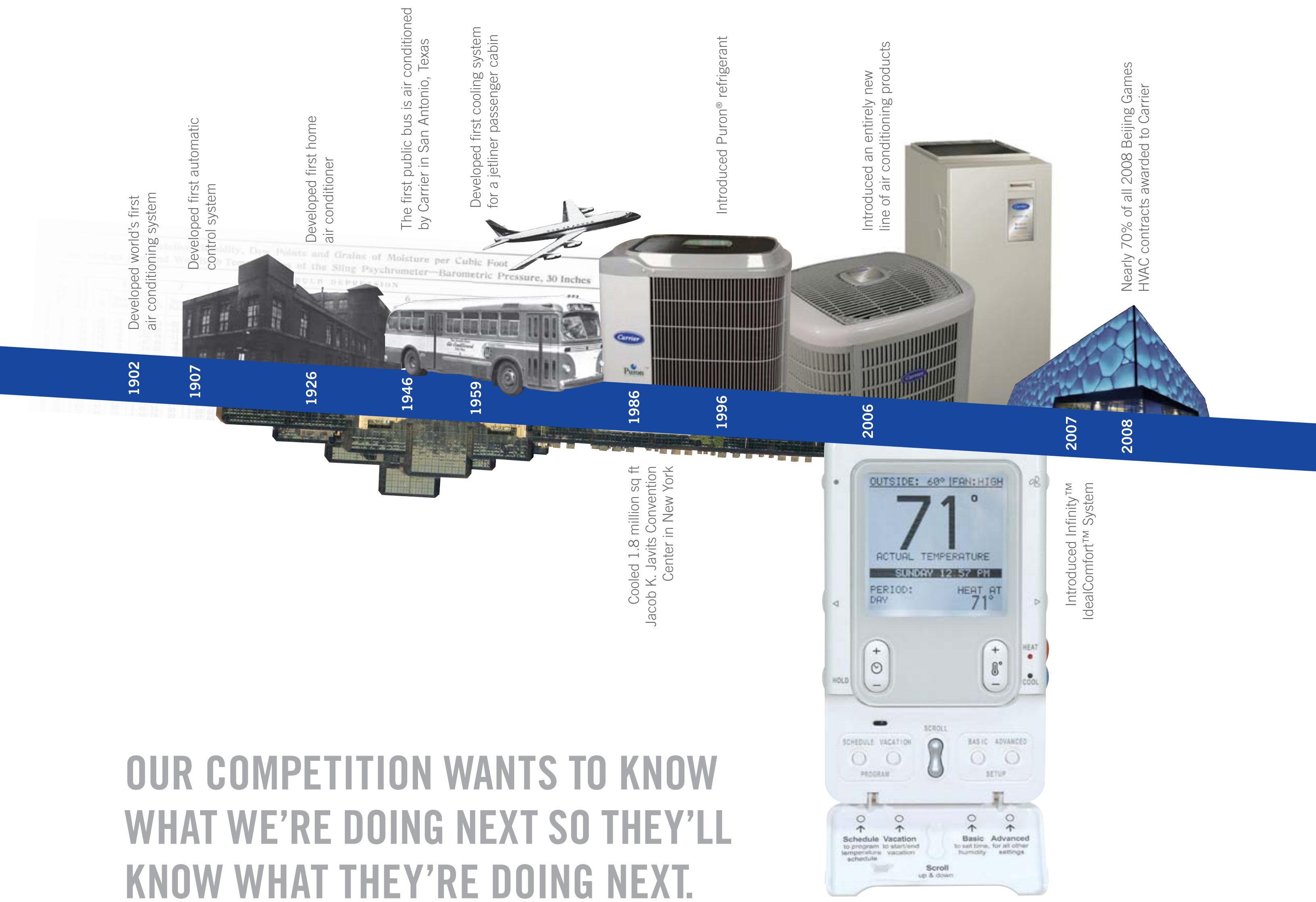
Stay Connected

With so much going on in the industry and the economy at large, it's more important than ever to make sure you've got the most current information to guide your business decisions. Fortunately, BUILDER Online won't let you miss a beat. With daily news articles, twice weekly BUILDER News videos, new episodes of BUILDER TV, housing data, feature articles, polls, and so much more, you'll be able to guide your team with the assurance that you have all the industry information available at your fingertips.

COMMENTS, SUGGESTIONS, AND NEWS FOR BUILDER ONLINE?

E-MAIL DENISE DERSIN AT: **ddersin@hanleywood.com**

UPlink // FOR MORE EXCLUSIVE ONLINE CONTENT AND ADDITIONAL STORIES RELATED TO THIS ISSUE'S ARTICLES, VISIT WWW.BUILDERONLINE.COM.



OUR COMPETITION WANTS TO KNOW WHAT WE'RE DOING NEXT SO THEY'LL KNOW WHAT THEY'RE DOING NEXT.

The Carrier legacy is one of innovation. From the moment Willis Carrier first invented air conditioning right up until today, Carrier has led this industry. For example, unlike other manufacturers that are just starting to make the switch to 2010-compliant refrigerant, Carrier already has 10 years of real world experience with our Puron® refrigerant and we've already installed over three million Puron refrigerant units. If you're looking for a partner that can provide innovative solutions and a wide range of products designed to fit any of your needs, turn to the experts.

Go to http://builder.hotims.com for more info

We Encourage Professionalism
NATE
Through Technician Certification by NATE

www.carrier.com
1-866-402-6945

Builder 100 CONFERENCE
hanley wood

Carrier®
Turn to the Experts.℠



Builder®

THE MAGAZINE OF THE NATIONAL ASSOCIATION OF HOME BUILDERS

hanley▲wood

BOYCE THOMPSON | Editorial Director • 202-736-3455
DENISE DERSIN | Editor in Chief • 202-736-3341
ERIN MAYES | Art Director • emayes@hanleywood.com
DEBORAH LEOPOLD | Managing Editor • 202-736-3380
JOHN CAULFIELD | Senior Editor • 732-257-6319
NIGEL F. MAYNARD | Senior Editor • 202-736-3438
ALISON RICE | Senior Editor • 571-312-7433
JENNY SULLIVAN | Senior Editor • 202-736-3483
CLAIRE KOLTKO | Associate Editor, Copy • 202-729-3553
MELISSA GOLDWEITZ | Senior Graphic Designer • 202-729-3561
JOHN BUTTERFIELD | Editorial Director Online • 202-736-3413
KYLE GUSTAFSON | Senior Web Editor • 202-729-3568
CONTRIBUTING EDITORS | David Crowe | William Devereaux | Rich Binsacca | Scott Sedam | Ted Cushman | Ivy Zelman

CATHY UNDERWOOD | Director of Production & Production Technologies
MARGARET COULTER | Lead Production Manager
LAUREN DOBOS | Ad Traffic Manager
TREY GOSSAGE | Assistant Production Manager
FRED WEISSKOPF | Prepress Manager
BETTY KERWIN | Prepress Coordinator

CHRISTINA LUSTAN | Circulation Director
JEFF STOCKMAN | Circulation Manager
ANN RUSSELL | Reader Services Manager

HOLLY MILLER | Marketing Director
KIM GROVER | Marketing Manager
KELLY GRIFFITH | Senior Director/Creative Services
STACEY CHATTMAN | Director/Conferences & Seminars

WARREN P. NESBITT | Executive Director/Residential New Construction • 202-736-3328
JEFFREY CALORE | Publisher • 202-380-3766
ALEC DANN | General Manager Online/Residential New Construction • 202-729-3576

HANLEY WOOD BUSINESS MEDIA

PETER M. GOLDSTONE | President • 202-736-3304
RON KRAFT | Director/Finance
NICK CAVNAR | Vice President/Circulation and Database Development
NICK ELSENER | Vice President/Production
ANDREAS SCHMIDT | Executive Director/e-Media

PUBLISHED BY HANLEY WOOD, LLC

FRANK ANTON | Chief Executive Officer
MATTHEW FLYNN | Chief Financial Officer
JEFFREY CRAIG | Chief Information Officer
PAUL TOURBAF | Senior Vice President/Corporate Sales
JOE CARROLL | Vice President/Corporate Development
BRAD LOUGH | Vice President/Finance
MIKE BENDER | Vice President/General Counsel
BILL MCGRATH | Vice President/Human Resources

EDITORIAL AND ADVERTISING OFFICES:
One Thomas Circle, N.W., Suite 600, Washington, DC 20005
Phone: 202-452-0800; Fax: 202-785-1974
SUBSCRIPTION INQUIRIES AND BACK ISSUE ORDERS:
888-269-8410 or e-mail: builder@omeda.com
NAHB members please call 800-368-5242 x8546
CIRCULATION CUSTOMER SERVICE: www.omeda.com/custsrv/bldr
PRIVACY OF MAILING LIST: Sometimes we share our subscriber mailing list with reputable companies we think you'll find interesting. However, if you do not wish to be included, please call us at 888-269-8410.
Canada Publications #40612608. Canadian return address: BleuChip International, P.O. Box 25542, London, ON N6C 6B2
POSTMASTER: Send address changes to Builder, P.O. Box 3532, Northbrook, IL 60065-3532

Builder will occasionally write about companies in which its parent organization, Hanley Wood, LLC, has an investment interest. When it does, the magazine will fully disclose that relationship.

Volume 32, number 5. Builder (ISSN 0744-1193; USPS 370-600) is published 12 times per year: monthly in Jan., Feb., March, April, May, June, July, Aug., Sept., Oct., Nov., and Dec. by Hanley Wood, LLC, One Thomas Circle, N.W., Suite 600, Washington, DC 20005, for the National Association of Home Builders and printed in the USA. Copyright 2009 by Hanley Wood, LLC. Opinions expressed are those of the authors or persons quoted and not necessarily those of the NAHB. Reproduction in whole or in part prohibited without written authorization. Single-copy price: $8 (except House Plans issues, which are $12.95). NAHB members receive one subscription at a rate of $15 per year taken from membership dues and nondeductible therefrom. Additional subscriptions may be purchased at the rate of $29.95 per year. Allow 6 to 8 weeks for delivery of first issue. Member: Business Publications Audit, American Business Media.

ASBPE American Society of Business Publication Editors 2007 Magazine of the Year circulation 80,000 or more

ASBPE American Society of Business Publication Editors 2007 National EDITORIAL Gold circulation 80,000 and over

BPA


A NEW HIGH IN AFFORDABILITY, DURABILITY AND SUSTAINABILITY.
COMING TO THE GREEN BUILDING CONFERENCE
MAY 9 & 10, 2009



Go to http://builder.hotims.com for more info



Go to http://builder.hotims.com for more info

Builder®

THE MAGAZINE OF THE NATIONAL ASSOCIATION OF HOME BUILDERS

hanley▲wood

SUBSCRIPTION INQUIRIES AND BACK ISSUE ORDERS:
Call 888-269-8410 or e-mail: builder@omeda.com
NAHB members please call 800-368-5242 x8546
FOR LIST RENTALS: 203-778-8700
TO ORDER REPRINTS: YGS Group 717-399-1900
FOR A MEDIA KIT: Janet Allen jallen@hanleywood.com

ADVERTISING SALES OFFICES

JEFFREY CALORE | Publisher
Phone: 202-380-3766 Fax: 202-785-1974
E-mail: jcalore@hanleywood.com

ALEC DANN | General Manager Online/Residential New Construction
Phone: 202-729-3576 Fax: 202-785-1974
E-mail: adann@hanleywood.com

JOANNA MOTT | Group Publishing Support Manager
Phone: 773-824-2459 Fax: 202-785-1974
E-mail: jmott@hanleywood.com

CHICAGO
TIM AHLERING, MARK CULLUM, PATTY MORIN
8725 W. Higgins Rd., Suite 600
Chicago, IL 60631
Phone: 773-824-2400 Fax: 773-824-2401

NEW YORK
PAUL PETTERSEN
65 Walnut Ave.
Rockville Centre, NY 11570
Phone: 516-536-9154 Fax: 202-785-1974

ATLANTA
CLARE STEFAN
2090 Dunwoody Club Dr., Suite 106-263
Atlanta, GA 30350
Phone: 770-399-9062 Fax: 770-399-9073

DALLAS
PATTY MORIN
8725 W. Higgins Rd., Suite 600
Chicago, IL 60631
Phone: 773-824-2427 Fax: 773-824-2540

CALIFORNIA
CAROL WEINMAN
395 Del Monte Center, Suite 317
Monterey, CA 93945
Phone: 831-373-6125 Fax: 831-373-6069

CANADA
D. JOHN MAGNER
York Media Services
500 Queens Quay West, Suite 101W
Toronto, Ontario, Canada M5V 3K8
Phone: 416-598-0101 Fax: 416-598-9191

ONLINE
EDWIN KRAFT
e-Media Sales Manager
5908 Northern Ct.
Elkridge, MD 21075
Phone: 443-445-3488 Fax: 202-785-1974
E-mail: ekraft@hanleywood.com

WASHINGTON, D.C.
JANET ALLEN | Executive Director/Account Management
STACY OKORO | Operations Coordinator
BRIAN SHERRY | Account Manager (West)
HALLEY DAVIS | Account Manager (South)
KEN WILSON | Account Manager (North)
BARB BUKATY | House Plans and Building Technology
Inside Sales Account Executives
One Thomas Circle, N.W., Suite 600
Washington, DC 20005
Phone: 202-452-0800 Fax: 202-785-1974







Budget Blinds® PRO™

National Solutions. Local Service.

BUILDING SALES

one window covering at a time

In today's challenging environment it is more important than ever to create a unique experience for your potential homebuyers. Since 1998, Budget Blinds has been #1 in window coverings by doing just that. And now, Budget Blinds® Pro™ provides the only true national turnkey solution for you, the builder. With over 1,000 design and installation specialists, we cover over 400 major markets in North America. We make it easy to add window covering packages to your homes.

> Local sales, service and installation
> Single point of contact—national and local
> Sales associate training and local support
> Model home/design center marketing program
> National account builder rewards program
> 5-year no questions asked warranty*

Local Sales, Service And Support

Budget Blinds® Pro™ offers full support for your sales associates to allow you to concentrate on your top priority, selling homes. We cover the design, installation and support to make offering window coverings hassle-free and help you add profit to your bottom line.

Right now, your homebuyers can include a whole-house window coverings package in their mortgage for as little as $10 per month. Our "5-Year No Questions Asked Warranty"* provides peace of mind for your homebuyers and adds value to your homes. Our Local Budget Blinds office will train your team on all the details.

*See the guarantee for complete details

Visit Us Online:

www.budgetblindspro.com

Located Everywhere You Build



Simple Turnkey Window Covering Solutions

Budget Blinds® Pro™ offers simple solutions with our nationally standardized Turnkey Packages. Whether you choose to include blinds as standard or offer select packages as upgrade options, our local teams will work with you to make it simple. To get you started, we offer a selection of window covering packages that are sure to set you apart in every market you build.

Want Your Window Covering Packages Customized?

Budget Blinds® Pro™ makes customizing a program for you simple and easy. We can tailor a package to meet your needs with a variety of energy efficient shades and blinds. Motorized controls are available on selected styles. Our expert design specialists are trained to create total window covering solutions that will have you earning money and adding value to your homes right away.

Prefer A Post Close Referral Program?

You can also provide your homebuyers the opportunity to choose their own window coverings and generate incremental margin opportunities at the same time. We will customize a Post Close Referral Program that includes a generous rewards program for you and shop-at-home convenience for your homebuyers.

Budget Blinds® Pro™ has the tools you need to set your homes apart from the competition. We work with you to define your goals and support you to meet them. And for most builders, that means finding new ways to build sales. With Budget Blinds® Pro™ you will be able to add value to your homes with simple window covering solutions.

Builder 100 CONFERENCE hanley▲wood

Find out more by contacting
Debra D'Adamo, VP of National Accounts
Phone: 1-866-258-5369
Email: builderinfo@budgetblinds.com
Web: budgetblindspro.com

Go to http://builder.hotims.com for more info











New Beginnings

The biggest builders are reinventing themselves with more sustainable business models.

IT'S ALMOST UNFAIR TO PUBLISH SUCH A BACKWARD-LOOKING list as this year's BUILDER 100. As if anyone needs a reminder, 2008 was a terrible, terrible year for the largest home building companies. More than a dozen companies from the year before fell victim to the economic sword in 2008. The largest companies once again lost market share to the industry at large, providing further proof that big doesn't necessarily equal better in the cyclical home building industry.

Even so, the companies on this vaunted list—perhaps some still remember the days when making a list of the 100 largest companies in the industry was a cherished business goal—are survivors. They have endured four years of unprecedented turmoil to fight another day. They are likely to gain considerable market share going forward. So many builders have gone out of business, or quietly retreated into remodeling or commercial work, that the ones that remain should get a disproportionate share of the upswing when it finally arrives.

SEIZE THE DAY

But that will depend on whether companies mobilize now to seize new opportunities. It's time to turn attention from stopping the bleeding to setting a new, sustainable course. As our reporting shows, many BUILDER 100 companies have reworked their business models and are centralizing management, taking fewer risks, and forging new financial relationships. The best leaders are rallying the troops around new missions that may be as simple as growing the business, providing unprecedented customization to today's young buyers, or building homes that tread as lightly on the earth as possible.

The key is to create a sustainable business model, one that will keep companies in business for the long term and protect them from the vicissitudes of the credit markets. Even the largest builders are separating home building from land buying activities, reluctant to take on debt to buy land. They are emphasizing infill, in-town, and on-your-lot opportunities, which have been holding up better during the downturn. They are diversifying into apartment and commercial development to provide a steady future cash flow.

Dreams of bigness for the sake of bigness seem to have been forgotten, or at least temporarily put on hold. Even when Pulte announced its intention to merge with Centex and create the largest home building company in America, the leaders of both companies said that size didn't motivate the deal. They even intimated that, in many respects, big doesn't equate to better when it comes to home building companies. No, they said, this deal was all about creating a single stronger company with fewer liabilities that could better compete in the future.



KATHERINE LAMBERT

BUILDER CONFIDENCE RETURNS

The good news is that a fresh wave of optimism is rolling through the industry. Even as sales and starts show little improvement, builder confidence, as evidenced by the most recent NAHB index of home builder sentiment, is on the upswing. Reports are coming in from around the country that buyers have returned to model centers, making the rounds with real estate agents and in general wondering what they can get at today's prices with today's interest rates.

Rest assured: Even if market conditions begin to mend, this will be a tough year for home builders. Four years of contraction have left deep financial wounds. But there's plenty of fight left in the industry. And a higher degree of difficulty only makes the end result of reinvention more satisfying.



BOYCE THOMPSON
Editorial Director
e-mail: bthompson@hanleywood.com



The balance of performance, flexibility & control. Being a worldwide leader of advanced air-conditioning solutions requires a delicate balance. It requires anticipating the basic needs of customers by building highly differentiated products. It demands cutting-edge technologies, while building upon established best practices, traditions and customs. At Daikin AC, we are providing the world with more than 80 years of constant achievements in the field of HVAC.
Daikin AC. Try a better perspective.
www.daikinac.com
MOST SUSTAINABLE CORPORATIONS
GLOBAL 100
partner in ASHRAE
Headquarters
renewal
U.S. GREEN BUILDING COUNCIL
MEMBER
DAIKIN AC®
absolute comfort
Go to http://builder.hotims.com for more info

Kudos for Presidential Online Seminars

BUILDER recently ran a six-week online seminar series, the "Presidential Online Seminar Series," in lieu of the usual in-person conference. We received some great feedback, particularly as it relates to the motivational nature of the presentations. You can watch the archived seminars at: www.builderonline.com/.

"Nothing replaces the Presidential Seminar ... but you succeeded in providing a powerful substitute. [Builders] are driven by accomplishments and optimistic by nature. However, these strong spirits are weakened or broken in these times. We need the encouragement and stimulation of our intellect and energy systems to get us moving in a positive direction."

KEITH CHRISTOPHERSON
CHRISTOPHERSON HOMES

Yearning for a Better Way of Doing Business

Working with Hanley Wood Market Intelligence, we published a list of the healthiest and weakest housing markets for 2009, stories that proved to be our most popular of the first quarter. Several Texas markets, along with coastal Carolina markets, made the list of healthiest markets.



"Wow, I build in what is considered the 8th healthiest market. I can tell you there is a lot of pain here. If this is a good market my heart goes out to those builders in markets not listed!"

BRAD WHICKER
WHICKER CONSTRUCTION
PLAINFIELD, IND.

Dissecting the "Top" 10

Our advance peek at the top 10 builders for 2008 elicited characteristically feisty commentary from builders who objected to the "biggest" builders being called the "top" builders. It also ignited a heated conversation about the quality of the homes sold by the mega-builders.

"I find it rather sad that [BUILDER] has somehow determined that organizations that build the cheesy, tomorrow's-slums-today tract homes are judged on volume. This article should be titled the BIGGEST home builders for 2008, not the TOP and surely not the BEST!"

ANONYMOUS

"If it weren't for production builders, a better part of the population could not achieve the American dream of owning a brand NEW home! As for quality, yes there are many out there that do not provide a high-quality home, but there is a (small) handful that does!"

CHIC2676

"You are looking at completely different markets. The buyer segments are completely different. Tract home builders help people achieve the American dream. If you think that everyone should play by your rules all that will happen is others will make money and you will become bitter. Oops, too late! Even if you built the same house they do, it would still cost you more than their volume discount."

ANONYMOUS

What House Plan Sales Say About Plan-Buying Consumers

We recently published online a list of the top-selling house plans, including elevations and floor plans. Many of the plans were bigger than the typical new home today, and their floor plans didn't always include the latest wrinkle. Some readers took issue.

"I don't understand comments saying that these homes are too big. Too big for whom? These aren't 'editor's picks.' These ARE what *(see page 21)*


PLEASE ACCEPT OUR DEEPEST APOLOGIES.
After inventing the alternative-decking category we lead, you'd think we'd have left well enough alone. We're sorry, we didn't. We took on the railing category and turned conventional wisdom on its head. Now railing is no longer an afterthought — it's an integral part of outdoor living design. Our modular railing systems offer unprecedented design options coupled with unmatched installation ease. And the same quality, durability and craftsmanship that you've come to expect from our decking is in our railing. Simply put, nobody else offers the versatility, design freedom and continuous innovation that we do. So when your phone rings off the hook for Trex® railing — we apologize. But we can't say it won't happen again.
Genuine Trex
HOW OUTDOOR LIVING SHOULD FEEL.
DECKING
RAILING
FENCING
TRIM
TREXPARTNERS.COM | 1.800.BUY.TREX
Trex Artisan Railing
©2009 Trex Company, Inc.
Go to http://builder.hotims.com for more info

consumers, at least those buying home plans, are building. Are you going to tell your customers that they've chosen the 'wrong' plan?"

PIPICOKE

"These houses show the lack of imagination and willingness of the industry to move in new directions in these changing times. It's like showing the top-selling cars. On that list is GM and Chrysler, and look where that got them. It's time to produce what people really need, not just what they fantasize about."

MTN ARCHITECT

"If these are the top 10 consumer picks, I have to assume all of the consumers are receiving taxpayer-funded bonuses as part of the banking system bailout. In my marketplace these homes are beyond the reach of all but maybe 10 percent of the population. These designs also show that we are not educating the public on issues of sustainability or accessibility. None of these designs would fit even the visitability classification."

PAUL BORDEN
Johnson & Sons General Contractor
Buffalo, N.Y.

Trolling for the Bottom



We've been aggregating positive stories about the housing market in a home building recovery watch section on Builder Online. A recent blog by Boyce Thompson focused on how we may have reached bottom. At least one reader agreed.

"It is hard to believe that there is a lower point that could possibly be reached. When filings for new homes don't even match what is being replaced, the low has been hit. This downturn started in late 2006 and by late 2009 will proceed up again. Modest gains will be made (I mean we will pay the bills), and 2010 will see slow but upward ticks. Positive attitude and a firm belief in our industry is what we all need right now."

ROBERT BOWEN
BTR Build and Remodel
New Hampshire

Discounting—Too Much of a Good Thing?

Several readers dispensed good advice when a mid-sized Midwestern builder asked whether he should continue to discount. The offers are bringing in customers who often want additional discounts. Though discounting builds traffic, the experience led him to question whether is was worth the hassle.

"I would recommend to continue doing anything that creates traffic. No traffic, no sales. I would suggest 'hard close' training of the salesforce. After all, you can't offend the bottom feeder. Try incorporating a message that will speak to the bottom feeder. Emphasize a 'No Haggle, No Bull' product pricing."

BOB KRAUS
Saddlebrook Builders

"There is no doubt in my mind that nothing works better than an absolute discount—no free upgrades, no reduced site premiums, no tricks or complications. And the discounts must be properly, aggressively, intelligently, and thoroughly promoted so that the message reaches the buying markets."

DANIEL R. LEVITAN, MIRM
Levitan & Associates

"While it is true that discount pricing brings out bottom feeders, they don't comprise 100 percent of your traffic. A significant proportion, probably even a large majority, simply want to make sure they are not making a huge mistake by either paying too much or by buying too soon. There are usually only about a dozen things we need to prepare for in most communities. Why not create scripts that acknowledge the issue and provide a positive response?"

ROSS ROBBINS, MIRM
Shinn Consulting

Unions Target Public Builders

PULTE HOMES OFFICIALS ARE READYING themselves for a visit at their shareholders' meeting this month by representatives of the Laborers International Union of North America (LIUNA), a national worker advocacy group that's making the rounds. The group, which has been questioning worksite safety for years, staged protests at Lennar and KB Home meetings last month.

LIUNA representatives showed up with picket signs and questions at Lennar's annual shareholders' meeting. CEO Stuart Miller wound up defending the company's lending and construction practices. LIUNA reportedly has filed a Fair Housing complaint against Lennar and its mortgage lending subsidiary for targeting Latino buyers with subprime mortgages.



The Lennar brouhaha followed a similar disruption at KB Home's shareholder meeting where, according to *The New York Times*, a KB Home customer alleged that the company's preferred mortgage lender, Countrywide Financial, "pushed" him into signing an interest-only loan in 2005. The *Times* also reported that, at LIUNA's urging, an assemblyman in California introduced legislation that would prohibit builders in that state from lending money to buyers through affiliated mortgage lenders.

Pulte has already called "unscientific" and "flawed" an AFL-CIO survey of 872 Pulte and Del Webb home buyers that concluded three-fifths had "defects" in their homes. "It doesn't even define the word 'defect,'" says Pulte spokesperson Jacque Petroulakis. "It was created, compiled, and edited by [LIUNA], and we don't believe the results are even close to being accurate."

Warmington Group Finds an In With Banks

CONSULTANTS HAVE BEEN ADVISING builders for two years to seek fee work with banks to build out communities that have come back into their possession. Few deals of any size had been announced until the Warmington Group reported that it will manage, build, and sell more than 600 homes in five locations for TriPacific Capital Advisors. It is also analyzing and managing assets in a large portfolio of residential project loans for Comerica Bank and new-home project portfolios for Guaranty Bank and Bank of America. "At this time, I believe that the amount of fee work that Warmington has secured may be unparalleled in the industry," said Jim Warmington, president and CEO.

NVR Turns a Profit

AFTER BRIEFLY DIPPING INTO THE RED for one quarter, NVR reports that it returned to the black in the first quarter of 2009. NVR *(see page 24)*

says that its net income in the first quarter was $17.98 million. The company reported no impairments or land-related charges. The result compared favorably to the $30.5 million loss it reported in the final quarter of last year. NVR has been one of the big gainers in the recent run-up in public builder stocks, thanks to its presence in the relatively healthy Washington, D.C., market and its operating model, which favors optioning land over purchasing it.

Another Builder Closes Its Doors

Another Builder 100 company, T.H. Properties, abruptly ceased operations at the end of April, posting a note on its headquarters building that it "is actively exploring options to restructure its ongoing business operations." Some buyers learned the news when they showed up to close on their new home. Others were left wondering whether they would get their deposits back.

T.H. Properties, which builds primarily in the Philadelphia area, is owned by two brothers, Timothy P. and W. Todd Hendricks. The company was sued earlier this year by its bank, Wachovia.

The development brings to more than a dozen builders from last year's Builder 100 list that have gone out of business, liquidated, or stopped building homes. That list includes:

2007 B100 RANK	COMPANY
20	Kimball Hill Homes
21	Pasquinelli
24	Woodside Homes
25	C.P. Morgan Communities
26	Jim Walter Homes
30	Mercedes Homes
39	WCI Communities
40	Choice Homes
44	Royce Homes
45	Engle Homes
52	John Laing Homes
55	Trend Homes
80	Fulton Homes
98	Brown Family Communities

For a complete list go to Builders Gone Bust on BuilderOnline.com.

Did Starts Fall in March?

Depending on which daily newspaper you receive, you may have seen that housing starts either plummeted or stayed on an even keel in March. That's because some stories focused on total starts (multi-family and single-family) while others looked at single-family alone. Single-family starts in March were at 358,000, virtually unchanged from February (356,000). Multifamily starts fell by about 10 percent.

If you choose to look on the bright side, the release kept intact a string of six consecutive "positive" housing reports that indicate the housing market may have found its bottom. Several indicators, though, could point to further trouble ahead. The news on foreclosures in the first quarter is not good, and home prices continue to decline, making it extremely difficult to price and sell new homes.

For more buzz, visit www.builderonline.com.

FEEL FREE TO CONTACT US

Builder®
One Thomas Circle, N.W., Suite 600
Washington, D.C. 20005
Phone: 202-452-0800
Fax: 202-785-1974
URL: www.builderonline.com

To Submit:

- **Letter to the editor:**
  Boyce Thompson, editorial director
  bthompson@hanleywood.com

  Denise Dersin, editor in chief
  ddersin@hanleywood.com

- **Best-selling community news:**
  Jenny Sullivan
  jsullivan@hanleywood.com

- **Business news:**
  John Caulfield
  jcaulfield@hanleywood.com

- **Conference & event announcements:**
  Deborah Leopold
  dleopold@hanleywood.com

- **Construction news:**
  Denise Dersin
  ddersin@hanleywood.com

- **Green building and product news:**
  Denise Dersin
  ddersin@hanleywood.com

- **New product news:**
  Nigel F. Maynard
  nmaynard@hanleywood.com

- **New projects news:**
  Jenny Sullivan
  jsullivan@hanleywood.com

- **News and information for the Web site:**
  Denise Dersin
  ddersin@hanleywood.com

For a copy of the editorial calendar:
Deborah Leopold
dleopold@hanleywood.com

For a media kit:
Janet Allen
jallen@hanleywood.com

For copyright permission or for reprints of articles:
YGS Group 717-399-1900

For information about house plans:
David Rook 202-736-3421

For subscription information:
888-269-8410

PLY GEM
WINDOWS



At Ply Gem Windows, we view things from your perspective. We see our windows as more than just products; we see them as opportunities to build your success. And that's exactly why we've taken our entire portfolio of brands, brands that you know and trust like MW Windows, CertainTeed, Patriot Windows, and Alenco Windows, and given them a new name – Ply Gem Windows. With this one name comes a lot of distinct advantages, like one-stop access to a variety of window materials and styles for all of your design needs. Plus, with our national manufacturing and distribution network, industry leading warranties, and exceptional customer service and support, you'll get the right window for every project and every budget.

Builder 100 CONFERENCE hanley▲wood

To learn how Ply Gem Windows can help you build your business,
visit www.plygemwindows.com.



PLY GEM
BUILDING PRODUCTS. BUILDING SUCCESS.

Windows Siding Stone Veneer Fence+Rail Designer Accents plygem.com

INSIDE STORY

Inside:

COMMENTARY AND ANALYSIS OF CURRENT EVENTS ■ EDITED BY JOHN CAULFIELD



MATT WOOD

SMART-GROWTH SOLUTIONS

Chicken or Egg

Transit-oriented development often travels on light rail.

Over the past year, developers have applied for permits to build 1,500 apartments and condos within a half-mile of transit stations in Seattle's Rainier Valley neighborhood. Those stations will serve the 15.6-mile Link light-rail line connecting downtown Seattle with Sea-Tac Airport. The rail line is scheduled to open in July 2009.

This housing represents Rainier Valley's first nonsubsidized multifamily projects in more than three decades. Nearly half of these housing units will be built by developer Othello Partners, including The Station at Othello Park, an $80 million project with 350 rental units and 20,000 square feet of retail space. "One of the most important factors in our decision to build was the light rail," says Mike Hlastala, Othello Partners' COO.

In cities across the U.S., light rail had the biggest increase in riders—8.3 percent—among all modes of public transit in 2008, according to the American Public Transportation Association. Burgeoning municipalities and states see transit-centric development as essential to managing their population growth, which in Seattle's case is expected to rise by 1.2 million over the next quarter century. Many cities also see a receptive federal government now that President Obama has made infrastructure investment a linchpin in his administration's long-range economic growth strategy. The U.S. Department of Transportation and HUD recently *(see page 30)*

formed a joint task force to devise ways to put more affordable homes near job centers and transit hubs.

"Transit-oriented development really sets out our future," Todd Apo, chairman of Honolulu's City Council, told *The Honolulu Advertiser* after that city's mayor in March signed a bill that establishes transit-oriented development (TOD) zones around its nascent light-rail line.

Since Charlotte, N.C., opened its Lynx system in November 2007, more than 1,000 housing units have been added or approved near its stations, says Dena Belzer, president of Berkeley, Calif.–based Strategic Economics, one of three partners in the Center for Transit-Oriented Development, a national nonprofit focused on promoting TOD research and best practices. And Phoenix-area businessmen who might have squawked about the cost of their market's $1.4 billion 19-mile light-rail line, which opened in December, now lobby to have future stations built near their stores and offices after the line's ridership jumped 15 percent in February over January to more than 908,000.

"Transportation facilities can be designed in ways that integrate, support, or trigger economic activity to benefit the community by reorganizing land use, increasing land value and tax revenues by attracting capital and providing jobs, and increasing incomes while also supplying well-located, needed services to the community," states "Moving Communities Forward," a report analyzing nearly 30 transportation projects published in January 2008 by The American Institute of Architects and the University of Minnesota's Center for Transportation Studies.

But light rail doesn't *(see page 34)*

JOBSITE SECURITY

Scam Stoppers

Preventing construction fraud requires vigilance and auditing.

Fraud saps up to 10 percent of the construction industry's annual gross revenue. Inflated bills, faulty contracts, bogus insurance claims, and lax auditing all open doors to fraud, according to officers from Grant Thornton, the international auditing and risk management consultant, which recently conducted an hour-long seminar on what leads to fraud and how companies can try to prevent it.

Construction fraud usually starts with economic pressure on trade partners or employees. Companies are also susceptible to fraud when their contracts don't define the scope of a project after the price is set. Jim Schmid, Grant Thornton's national director of construction forensics, explained that commonly used design/build contracts, which allow contractors to bid and then design a project, create opportunities for fraud, especially in how contingency money gets spent.

Schmid and Carol Esselink, Grant Thornton's economic advisory services manager, laid out 10 prevalent fraud schemes, a good number of which expose deficient forensic rigor in how companies monitor what they are paying for services rendered (or not). These include:

- False application for payment
- Billing for work not performed (such as general contractors subbing out work for a lower rate than what they are billing)
- Subcontractor collusion or conflicts of interest, which often manifests itself in bid rigging, price fixing, phantom hires, and so forth
- Change-order manipulation, which often shows up in improper price reductions for less-expensive work substitutions
- Manipulation of the schedule of values and contingency accounts
- Substituting or removing materials
- Diverting lump-sum charges to time and materials costs
- Diverting purchases and theft of equipment and tools
- Nonpayment of subcontractors and materials suppliers
- False representations, such as using undocumented workers.



Schmid notes that contractors often don't anticipate the kinds of record keeping that's needed when costs can't be determined in advance. To prevent fraud in these situations, companies "need to initiate field-force accounting documentation on a daily basis."

Schmid and Esselink recommend some basic preventive measures if companies suspect fraud, such as contacting a lawyer, conducting background checks on employees and trade partners, securing a project's documentation, and conducting "basic tests" to verify suspicions. But all of those moves would be after the fact; the presenters urged companies to have controls to thwart fraud in place before a project begins.

Such controls should include compliance and ethics programs that regulate every aspect of the project. Auditing must be consistent and frequent. But more than anything, the company must project an anti-fraud attitude that starts at the top. "The owner has to be involved," said Schmid.—*J.C.*





always catalyze transit-oriented residential development. Developers aren't always enamored of building near transit systems whose attached strings often include density and affordability mandates. Under pressure from developers, Washington state's legislature in March tabled two bills that would have established rules for development along transportation corridors.

Sacramento, Calif.'s 22-year-old light-rail system, which currently runs 37.4 miles and handles 14.4 million passengers per year, is recognized as a model for California's new statewide smart-growth regulations. But only recently have TOD projects sprouted along that line, say local transportation analysts and planners. In 2002, city financing helped transform a brownfield with warehouses and a closed lumber mill into a mixed-use TOD near the rail line's 65th Street station. A spur that will connect downtown Sacramento to its airport will run through a 240-acre brownfield that could hold "all kinds" of TOD possibilities, says one planner for the Sacramento Area Council of Governments.

"One of the most important factors in our decision to build was the light rail."—Mike Hlastala, COO, Othello Partners

Phoenix mayor Phil Gordon wants to create America's first carbon-neutral metropolis. This spring the city initiated a study with a goal of integrating proposed transit expansions into its general growth plan. That could lead to zoning changes and possibly more TOD activity, says city planner Carol Johnson. But what makes Phoenix unique is how housing densities outside of its central city—three to four units per acre—"mimic the topography, which is flat," says Johnson. The challenge is to create "focused clusters," possibly including some near transit stops, which provide urban living experiences and mesh with the suburban landscape. The study, she says, is a step toward finding out if that's feasible.—*J.C.*

ECONOMIC STIMULUS

Easing the Pain

Some builders might benefit from small-business relief programs.

You couldn't blame builders if they didn't get too excited when President Obama unveiled his plan to unlock the frozen credit markets for small businesses in February. In the past, the housing industry hasn't benefited all that much from changes in the government's small-business provisions.

But Bill Renner, the NAHB's director of single-family finance, and Robert Dietz, the NAHB's director of tax issues, think that smaller builders can mine some nuggets from that plan if they dig deep enough.

The president's plan allocates $15 billion to thaw the secondary credit markets by purchasing securities backed by guaranteed portions of 7(a) SBA loans. The plan eliminates or reduces borrower and lender fees associated with those loans. And the plan increases the percentage of small-business loans guaranteed by the Small Business Administration (SBA) to 90 percent from 85 percent.

Only builders that generate less than $33.5 million in annual revenue qualify as small businesses. And even they can't use SBA loans to build specs or buy land. Builders generally use these loans for financing such things as building products purchases or even ancillary businesses. Dietz adds that builders didn't get the tax relief they wanted either, which would have allowed them to write off losses in fiscal 2008 against profits five years back.



On the plus side, Renner points to a relatively unnoticed provision in the president's plan that earmarks $255 million to help small businesses meet their debt payments by establishing a secondary market for that debt. Dietz ticks off other provisions that smaller builders might cash in on, including:

- A $250,000 tax break on capital investments for companies with less than $800,000 in taxable earnings;
- A 50 percent bonus reduction with no income limits that Dietz thinks might help builders reduce their contribution in aid of construction fees, such as what they get charged by the phone company when they need to move telephone poles;
- A credit-for-grant swap equal to 85 cents on the dollar, which allows states to make direct investments to low-income housing projects for up to 40 percent of their tax-allocation authority; Dietz thinks this could lead to more of these projects getting funded.

Dietz notes that in late 2007 Congress provided an exclusion for homeowners on any kind of home-related debt forgiveness, such as a mortgage modification, through 2010. Obama's plan extends that to small businesses and offers a 10-year deferment schedule with no tax liability for the first five years and then a 20 percent per year paydown over the next five. Dietz believes this provision would most benefit builders in debt-to-debt restructures.—*J.C.*

GOT AN INSIDE STORY?

E-MAIL JOHN CAULFIELD AT: **jcaulfield@hanleywood.com**

INSPIRE®
ROOFING PRODUCTS



only blended color tile in the industry : : **class A fire rating**



We innovate for a living. That's why InSpire Roofing delivers the next generation of composite slate roofing that captures the natural beauty of slate. InSpire is easy to install and meets premium performance and testing standards. Backed by a limited lifetime warranty and the largest color palette in the industry, InSpire Roofing is quickly becoming the roofing material of choice for contractors and builders. We innovate for a living and manufacture products that will work hard for years to come. Innovate today.

The Tapco® GROUP

Innovation Born from Original Thinking™

Go to http://builder.hotims.com for more info

www.theTapcoGroup.com

ROOFING :: SIDING :: SHUTTERS :: SIDING COMPONENTS :: TOOL SYSTEMS :: EGRESS SYSTEMS :: TRIM :: STONE VENEER

TOPSHELF

THE LATEST AND GREATEST BUILDING PRODUCTS ■ EDITED BY NIGEL F. MAYNARD

Clean and Fast

This new semi-automatic fastener gun makes it easier to install the manufacturer's deck fasteners. Designed for TC-G hidden-deck fasteners for pre-grooved boards, the gun drives collated screws like a nail, but the fasteners can still be removed like a screw. It decreases installation time for the fasteners by about 50 percent. ■ **Cost: $279. Tiger Claw. 800-928-4437. www.deckfastener.com.**





Classy Walls

Traditional wallpaper can seem dated, but this printed wood-veneer wallcovering classes up the category. The 35 1/2-inch-wide product is made from sustainably harvested wood and features a clay-impregnated cotton backing. Low in volatile organic compounds, it comes in a variety of species including bamboo. ■ **Cost: $35 per square foot. Trove. 212-268-2046. www.troveline.com.**

Multi-Task

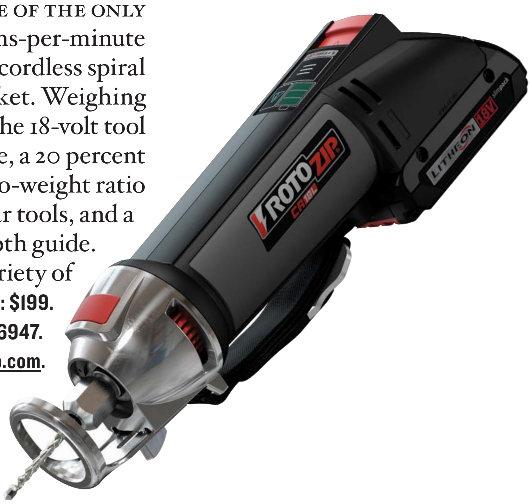
Proving that three functions are better than one—or even two—the manufacturer designed the Fairmont pullout kitchen faucet with spray, bubble, and pause options. The unit is constructed from cast brass pieces and features ceramic disc valves and a 30-inch hose. It comes in chrome and stainless steel. ■ **Cost: $360. Danze. 877-530-3344. www.danze.com.**

(see page 38)



Whole Saw

The CR18L is one of the only 30,000-revolutions-per-minute lithium-ion cordless spiral saws on the market. Weighing 2.8 pounds, the 18-volt tool has a slim profile, a 20 percent higher power-to-weight ratio than similar tools, and a non-marring depth guide. It will cut a variety of materials. ■ **Cost: $199. ROTOZIP. 877-768-6947. www.rotozip.com.**





▲ Dust Up

Fiber cement is a wonderful exterior product, but cutting it with a circular saw can kick up a lot of dust. This 5-inch fiber-cement saw aims to clear the air. The product is equipped with an AIRGUARD system that collects up to 90 percent of the dust during cutting, resulting in a cleaner jobsite and cleaner air. It features 8 amps, weighs 7.4 pounds, and has a bevel that tilts up to 45 degrees. ■ **Cost: $199. Ridgid. 800-474-3443. www.ridgid.com.**



▲ Tile One On

EcoShield composite deck tiles snap together easily and can be disassembled for installation elsewhere. The tiles are made from 30 percent post-consumer and 60 percent pre-consumer recycled wood fibers and polyethylene so they are durable and very low maintenance. Two sizes are available: 12 inches by 12 inches and 24 inches by 24 inches. ■ **Cost: $6 per square foot. A.E.R.T. 866-729-2378. www.moistureshield.com.**

Turbo Tubing ▼

Pre-insulated AquaPEX tubing is Crosslinked polyethylene with a little extra: The tubing comes with a layer of pre-attached 1/2-inch foam that saves energy and up to 37 percent on installation costs compared to the traditional installation and insulation process. It's available in 1/2- to 2-inch sizes and 20- and 100-foot lengths. ■ **Cost: from $4 to $13 per foot. Uponor Corp. 800-321-4739. www.uponor-usa.com.**



Store It ▼

Sustainability comes to kitchen accessories with the introduction of the manufacturer's bamboo pullout waste containers. The product is designed with a soft-close Rev-A-Motion slide system and is available for 15-, 18-, and 24-inch base cabinets, and 15- and 21-inch full height base cabinets. ■ **Cost: $512 to $678. Rev-A-Shelf. 800-626-1126. www.rev-a-shelf.com.**



KNOW OF A NEW PRODUCT?

IF YOU'VE TRIED A COOL NEW PRODUCT YOU THINK WE SHOULD KNOW ABOUT, E-MAIL NIGEL F. MAYNARD AT: **nmaynard@hanleywood.com**



Left: Dancing Waters by Laurent Development
Below: Liberty on the Lake by CPDC
Bottom: Cobblestone Lake by Tradition





CREATING BETTER PLACES TO LIVE

More than simply a financial investment, our homes are the stage upon which we live our lives. Which is why professionals charged with building communities – developers, builders, architects and city officials – are looking at ways to create not only houses but whole neighborhoods that put people first.

This return to traditional neighborhood planning is proving a magnet for homeshoppers who appreciate the attention given to elements such as:

- Walkability
- A sense of place
- Sustainability
- Connectedness
- Interesting architecture

Apple Valley Mayor, Mary Hamann-Roland says their newest community, Cobblestone Lake, is a major reason people are moving to the area. They are attracted by the enduring appeal of its streetscapes, which are enhanced by house exteriors made from James Hardie® siding.

"Cobblestone Lake is a timeless development and James Hardie material on the homes enables it to be timeless," says Hamann-Roland.



To register for more information about New Urbanism, Sustainability and Creating Better Places to Live, visit www.jameshardie.com/subscribe.

Builder 100 CONFERENCE hanley▲wood

JamesHardie®

1-866-4-HARDIE
www.JamesHardie.com

Go to http://builder.hotims.com for more info

support group

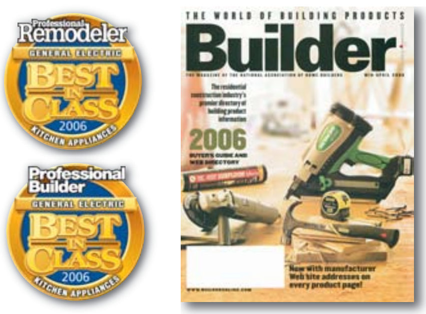


GE has over 1,000 qualified technicians to serve you, and when you put your trust in the brand with the nation's largest service network, you know you'll get what you need. Count on GE service technicians to have the expertise and parts necessary to get the job done.

For more information on GE appliances, please call 866.251.1753.

Go to http://builder.hotims.com for more info

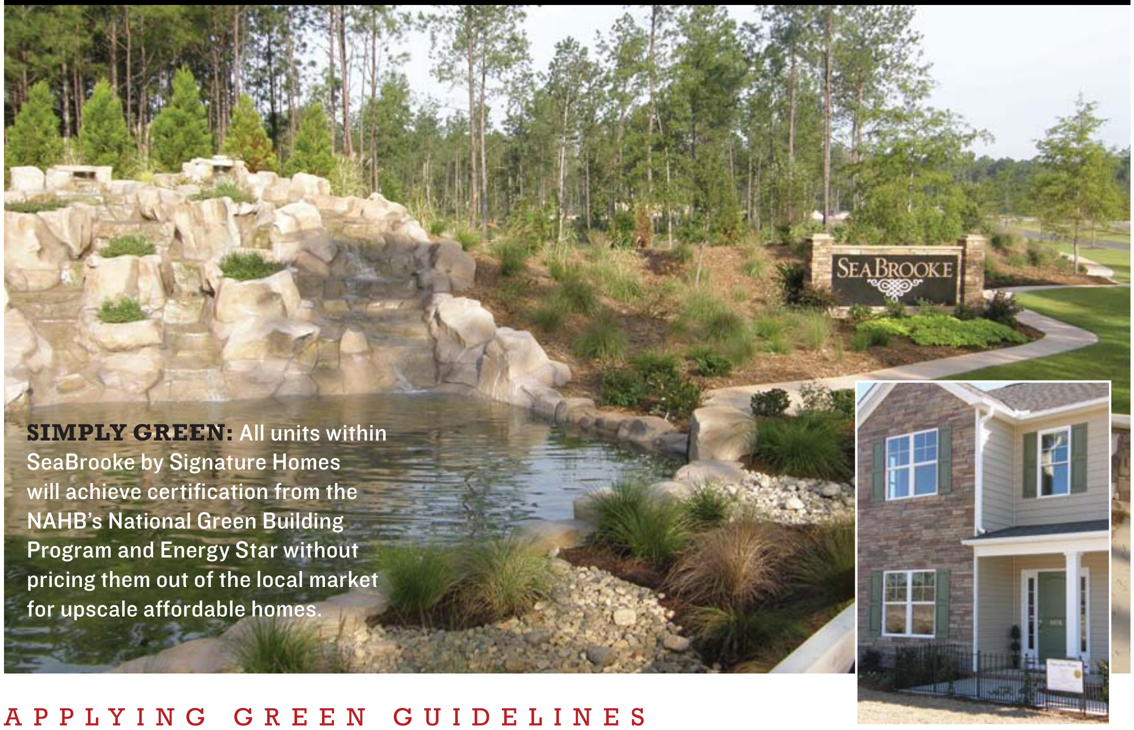
More builders were familiar with GE, and used GE, than any other brand.
Builder Magazine, 2005 Brand Use study



imagination at work

GREEN HOUSE

SUSTAINABLE DESIGN, CONSTRUCTION, PRODUCTS & SALES ■ EDITED BY RICH BINSACCA



SIMPLY GREEN: All units within SeaBrooke by Signature Homes will achieve certification from the NAHB's National Green Building Program and Energy Star without pricing them out of the local market for upscale affordable homes.

APPLYING GREEN GUIDELINES

Fast Path to Green

A North Carolina builder makes a wholesale commitment to NAHB Green.

A YEAR AGO, BUILDER ROBIN HACKNEY WAS earning her Certified Green Professional (CGP) designation from the NAHB under the National Green Building Program (NGBP).

Though she'd previously looked at integrating residential LEED and Energy Star programs to upgrade the performance of her homes, those options carried costs that would price her homes out of the increasingly competitive first-time move-up sector in the Wilmington, N.C., area.

Fast-forward to the present and the opening of SeaBrooke, the newest community being developed and built by Signature Homes of Wilmington, owned by Hackney and her husband, Deans. Having already built a handful of homes in nearby communities that achieved NAHB Silver certification since Robin earned her CGP, Signature Homes is committed to building all of the 500 single-family homes and townhouses planned for SeaBrooke to the NAHB standard and to Energy Star quality without raising the price of its homes one penny.

In fact, Signature Homes is absorbing the mere 1 percent premium it's costing the builder to meet those standards—including related fees (reduced thanks to a verifier that *(see page 42)*

PHOTOS: LEFT: ROBIN HACKNEY; RIGHT: COURTESY GARAGENOW

Tax Credit

The Obama administration's stimulus package extended federal energy tax credits to qualified garage doors placed in service between the first of this year and the end of 2010. The credit is calculated at 30 percent of the cost of each qualifying product or system up to $1,500 in total credit between this year and next. Eligible garage doors must be insulated to a U-factor of .30, offer a means to control air infiltration, and be installed in an insulated garage structure, among



other criteria. For more information, go to http://garagewownow.com/tax-credit-09.htm.

Solar Training

Given last year's turnout and current unemployment numbers, the annual Solar Success training sessions being held in conjunction ▸

with this month's Solar 2009 conference in Buffalo, N.Y., should attract a standing-room-only crowd of contractors. "They already possess about 80 percent of the knowledge and capabilities needed to be successful in solar," says Donald Chung, managing director of distribution for Conergy Americas, a renewable energy supplier and the program's co-sponsor. To register, go to www.solar2009.org.

Energy Star

Bosch Home Appliances (www.boschappliances.com) is the 2009 Energy Star Partner of the Year in the appliances category. Bosch's Evolution and Integra dishwashers, for instance, exceed the minimum federal energy standard by 147 percent with a yearly usage of only 190 kwh, about the



same amount of energy use as a dishwasher half their size. The company also posts an online green resource center.

UPlink

TO READ MORE STORIES ON GREEN BUILDING, GO TO WWW.BUILDERONLINE.COM/GREEN.

conducts NGBP and Energy Star inspections simultaneously)—rather than try to charge extra for the improved performance and efficiencies.

In earning her CGP, Hackney quickly recognized that Signature Homes was already meeting many of the standards to become certified, making it easy to apply the checklist to the next house and to the two models and trio of spec homes that opened SeaBrooke late last year.

Hackney was able to offset most of the extra costs to upgrade air and duct sealing and to use cellulose insulation by right-sizing the HVAC equipment per the homes' higher performance and by finding low-VOC carpet and trim paint that were actually less expensive than the builder's previous specifications.

The hardest job, she says, is convincing real estate agents that building to the NGBP standards can be a cost-neutral proposition. Signature has hosted a few seminars to debunk that myth; Robin also shows skeptical agents the MLS-listed price of the builder's first certified green home both at the slab stage (prior to Signature's decision to apply the NGBP standards) and after it was built and certified. "They see that the sales price didn't change," she says.

Meanwhile, Signature's switch to green has not only boosted traffic, but also gained the builder some notoriety and custom home business. "It's changing our approach to the market," says Robin, to a business model that's likely to be more sustainable, as well.—*R.B.*



UPSCALE AFFORDABLE: Signature Homes builds in the affordable range but with features and finishes typically found in more expensive homes. Formalizing energy and resource efficiencies adds to the homes' appeal, if not their prices.

NEW PRODUCT TECHNOLOGY

Generation Next

Check out these upstart technologies.

If enough builders take the bait, one of the next product categories to come under federal Energy Star scrutiny might be micro combined heating and power (micro-CHP) equipment, efficient heating units that also generate electricity to further offset energy use and costs. Also known as cogeneration and sized for single-family applications, the technology headlines the EPA's new Climate Choice program, an effort to inspire builders to incorporate emerging energy-saving products and practices into new homes to test their performance and market viability. The results may lead Energy Star to establish standards for micro-CHP systems to qualify under the program.

Micro-CHP equipment (pictured) recycles heat from its combustion process and uses it to provide a consistent and comfortable indoor climate. At the same time, the energy generated by the process is converted into electricity to supplement grid-provided power and/or earn energy credits from the utility.

Phase change is another new technology making waves, specifically a bio-based product called Pure Temp from Entropy Solutions that serves as a thermal mass—absorbing and releasing outdoor heat energy—to help regulate indoor temperatures and lessen HVAC loads.

Phase Change Energy Solutions has applied the technology to a supplemental insulation barrier called BioPCM. Applied to the interior stud walls behind drywall and encapsulating the wall cavity insulation, the membrane's insulation pockets absorb and slowly release heat that gets through the structure from the outside.—*R.B.*



GOT GREEN PROJECTS, PRODUCTS, OR DESIGNS?

E-MAIL DENISE DERSIN AT: **ddersin@hanleywood.com**

PHOTOS: TOP: ROBIN HACKNEY; LEFT: COURTESY BOSCH HOME APPLIANCES; RIGHT: COURTESY ECR INTERNATIONAL

Skewing the Numbers

Several soon-to-disappear catalysts are giving a false perception that things have turned around.

In our March home building survey, feedback from builder contacts indicated that while certain housing metrics continue to show signs of stabilization (and perhaps modest improvement), such as absorptions and cancellation rates, the vast majority of respondents are still unwilling to call an overall market bottom. While I believe it is likely that 4Q08 will ultimately represent a trough on an absolute absorption basis, my fundamental outlook that new-home sales, starts, and pricing will not bottom until 2010 remains unchanged.

On the volume side of the equation, I estimate that seasonally adjusted absorptions are now at the highest level since July 2008 and are up nearly 60 percent from the trough levels seen in 4Q08. That said, absorptions remain under pressure on a year-over-year basis. More importantly, they are roughly 65 percent below the three to four sales per month rate necessary for price stability in aggregate across all markets in our survey, indicating the likelihood of further price deterioration. It's true that some markets are posting absorption rates well above this average and in some cases have recorded a few weeks of results close to the absorption level cited above; but the strength in these markets is being driven by catalysts such as home buyer tax credits and one-time sales events, which causes me to question the sustainability of these results once these catalysts are no longer present.

Although the upward trend in volume is encouraging, several contacts provided a caveat to their more positive feedback. According to the responses, it is difficult to gauge market trends during this time of the year as March is typically the most important month from an order standpoint for builders, and this month's sequential volume improvements, which should be the norm based on seasonal trends, were driven by further price cuts, incentives, and government tax credits.

According to builder contacts, a supplemental $10,000 California state tax credit for new home buyers has had a strong impact thus far, generating approximately 2,600 applications through the first five weeks of the program. California-based contacts overwhelmingly believe that the state tax credit was a huge driver behind the improvement in market conditions in recent weeks. However, with roughly 25 percent of the total $100 million of allocated funds already spoken for as of the first week in April, the credit is on pace to run out by July, causing many survey respondents to be concerned about the continuation of these trends once the tax credit is exhausted and the impact begins to be felt from the expiration of the government-sponsored enterprise foreclosure moratorium.



In addition to California, several other states are currently pursuing tax credits of their own. On March 19, Utah became the second state to pass a supplemental tax credit, in the amount of $6,000, to anyone buying a new home. The $10 million, or roughly 1,600 state grants, comes from allocated funds from the federal stimulus package. Several contacts have already cited a strong response from this tax credit as well. In addition, Georgia, Illinois, Kentucky, and Michigan currently are discussing instituting state tax credits for home buyers.

With seasonality set to become a headwind rather than a benefit and the eventual expiration of home buyer tax credits, I am concerned that price deterioration will continue, thus accelerating the cycle of additional impairments, builder failures, land liquidations, and disappointing cash flow results. By the end of the downturn, my contacts expect more than half of all builders to ultimately shut down, either via bankruptcy or liquidation. In my opinion, these builder and developer failures will continue to be a headwind for the industry as the banks take control of more assets including spec homes, partially built homes, and lots, which will fuel price deterioration. I am also concerned that the fragile nature of the consumer leaves it susceptible to a pullback in macro data points such as the stock market and job losses, which could lead to a reduction in confidence.

Ivy L. Zelman
CEO
Zelman & Associates
Cleveland
e-mail: ivy@zelmanassociates.com


Shaw
Where Great Floors Begin
shawfloors.com
ANVIL
Green. It's something we never forget®.
EPIC

The $10 Billion Secret

Builders are missing out on a huge opportunity to save money by getting rid of waste.

Bankruptcies continue as home builders make extraordinary efforts to salvage the smallest profit. Efforts focus on refinancing or selling land and finding capital to build, while sales incentives reach almost comical extremes. Overheads are being slashed and house costs turned inside out. Most have conducted multiple rounds of rebids with suppliers and trades to the point that, as one builder lamented, "We can't go back to that well ... it's dry." But is it?

It's true that the gimme-10 percent-more-or-I-shoot well may be dry. Yet just a little further down, a bit harder to see, and requiring a lot more knowledge to tap is another source overflowing with margin. I am referring to waste in product and process, and it's so much a part of home building that most don't even know it's there.

I can prove this with just one pervasive example among many: wasted trips to the building site. To the builder, these are virtually invisible because suppliers and trades invoice less than 5 percent of the unnecessary trips incurred. How do I know? During the past two years, my associates and I have spent 40 week-long sessions with home builders and their best suppliers and trades in an intense process to ferret out all the waste we can find in product and process. The one item that every builder, no matter how efficient, discovers is unnecessary trips to the site.

These trips result from miscommunication, failure to update schedules, job ready issues, errors on P.O.s, mistakes on option sheets, late change orders—the list goes on and on. Even worse, trades recognize only half of their wasted trips for what they are. For example, ask your closet rod and shelf installer if he measures each unit before installation and for 95 percent of you he will say, "Of course!" Yet I know of five builders where the closet guy, as well as those who install cabinets and countertops and a host of other installers, never have to measure before they come. They also never have to check and see if a job is ready.

This closet installer thinks his extra trip is necessary, and when he is dealing with inaccurate plans or marginal framing, he is correct. What he and the builder don't understand is that these trips are unnecessary if the right steps are taken to render them so. But the problem persists because suppliers and trades believe they are being team players by not reporting these trips, billing for them, or otherwise acknowledging the waste—waste that they have to build into their bids. Out of more than 800 suppliers and trades we have worked with now, less than 2 percent track even obviously wasted trips by date, lot number, cost, and cause—the simplest of measurements that shine a light on this incredibly costly issue.



How bad is it? Stated conservatively, the average number of unnecessary trips per house is more than 50. To arrive at the true cost, we developed a Trip Cost Calculator. Using an Excel template, suppliers and trades enter factors for preparation, loading, vehicle type, time and mileage to site, resolution time, restocking, management time, and opportunity cost. The cost varies depending on whether it's an eight-man framing crew that dead-heads or a one-man service call, but the average exceeds $200 per trip. It gets worse. There is nothing in that figure for management and administrative costs to the builder—let alone lost schedule time.

Economists now suggest a sustainable annual production of one million units. At $200 per trip, that's $10k per unit, totaling $10 billion. All avoidable. You want it? With enough guts and perseverance it can be yours, but heed this warning: You won't get a dime of it by writing a memo telling everyone to "Get straight and fly right!" This waste is built into our industry's mode of operation, and ridding your company of it requires monumental process and culture change. It is not easy, but for ten grand a house, I'd consider it. Would you?

Scott Sedam
CEO
TrueNorth Development
Northville, Mich.
e-mail: scott@truen.com

UPlink // TO READ MORE FROM SCOTT SEDAM, CHECK OUT HIS BLOG, "THE LEAN BUILDER," AT WWW.BUILDERONLINE.COM/BLOGS/SCOTTSEDAM.

PRODUCTS

PRODUCTS AND TOOLS EVERY BUILDER SHOULD KNOW ABOUT ■ EDITED BY NIGEL F. MAYNARD



OPEN WIDE: The 400 Series casement window can be outfitted with a variety of glazing options such as Low-E4 or Low-E4 SmartSun to achieve a U-factor of 0.28 and a solar heat gain coefficient of 0.21. Each window has a pine or primed interior and a low-maintenance exterior cladding that comes in four colors. A variety of art glass, grille patterns, and screens are available. ■ **Andersen Corp. 800-426-4261.** www.andersenwindows.com.

VINYL ANSWER: Depending on the style of window, this premium line of vinyl products is able to achieve a 0.28 U-factor and 0.18 solar heat gain coefficient. It has architecturally correct details, authentic-looking divided lites, and an automatic locking mechanism. The line is available in a variety of styles, including single-hung, casement, and awning. ■ **Jeld-Wen. 800-877-9482.** www.jeld-wen.com.



AMAZING GLAZING: When paired with Zo-e-shield glazing, the manufacturer's fiberglass-clad wood windows offer a U-factor of 0.28 and solar heat gain coefficient of 0.18. Each product has a traditional wood window profile, rot-resistant fiberglass cladding, and solid wood interiors. Other options include simulated divided lites, aluminum airspace grilles, and full surround wood grilles. ■ **Weather Shield Mfg. 800-477-6808.** www.weathershield.com.



New Ways

Window makers brace for tougher Energy Star standards.

A PECULIAR THING HAPPENED TO window manufacturers as Congress was debating President Barack Obama's economic stimulus package: The industry ended up with stricter standards that left some members very unhappy.

The bill, the American Recovery and Reinvestment Act of 2009, which the president signed in February, includes a provision that gives homeowners a 30 percent tax credit for the costs of qualified energy-efficient home improvements (with a cap of $1,500 per home).

But the credit only applies to replacement windows, doors, and skylights, and products must have a 0.30 U-factor and a 0.30 solar heat gain coefficient (SHGC) to qualify. The Schaumburg, Ill.–based American Architectural Manufacturers Association (AAMA), which represents window and door makers and other companies in the fenestration industry, says the threshold is too high.

"As it's currently written, the stimulus bill sets a somewhat arbitrary standard that not only eliminates the majority of proven energy-efficient window, door, and skylight products available today, but also fails to take into account distinct differences in performance required by different climatic regions in our country," Rich Walker, president and CEO of AAMA, said in a March 3 statement. *(see page 50)*

UPlink // FOR MORE PRODUCT INFORMATION, VISIT EBUILD, HANLEY WOOD'S INTERACTIVE PRODUCT CATALOG, AT WWW.BUILDERONLINE.COM/PRODUCTS OR EBUILD.COM.

The organization, instead, prefers using Energy Star as the basis for tax credit qualification. But the DOE—which was already working on new guidelines to make Energy Star requirements tougher—issued some unexpected changes. As a result, the industry will be facing stricter standards anyway, beginning Jan. 1, 2010.

"There were two things [the DOE] was trying to do: toughen up Energy Star and expand the number of zones so that it was more customized geographically," says Dave Koester, brand manager for Medford, Wis.–based WeatherShield Windows and Doors. "In essence, the big shocker for everybody was that they were going to move the U-factor in the northern part of the U.S. from 0.35 to 0.30. This was a huge move."

"The tax credit in the American Recovery and Reinvestment Act of 2009 specified energy performance criteria ... for the entire country, regardless of climate zone," Richard H. Karney, Energy Star products manager at the DOE said in an April 7 letter to stakeholders. "DOE considered this fact when reviewing Energy Star criteria levels across the country, but tightened the U-factor criterion to the 0.30 level of the tax credit only in the North."

In addition, the expanded northern zone on Energy Star's climate map now covers almost half of the country, Koester says. The new requirements take effect Jan. 1, 2010.

From the DOE's point of view, Energy Star is the standard bearer and its requirements should reflect that. Currently, more than half the windows on the market meet the current criteria for Energy Star certification. Because of the apparent ease in meeting the standards, the agency felt they were not strict enough.

"[Karney's] goal that he indicated to window manufacturers was that he wanted no more than 25 percent of all windows meeting the standards," Koester says. "His feeling was, if just about everybody can [meet the standard], it's not that great."

But some window and door manufacturers are displeased with the timing of the new criteria and decry the fact that it was influenced by the language in the stimulus bill. "Due to severe economic conditions and confusion with the stimulus tax credit, there is consensus that the implementation should be delayed until the tax credit is out of play," Walker says.

The association has encouraged the DOE to consider changing the criteria to include three climate zones instead of four; align the window solar heat gain coefficient for Climate Zone 1 with the tax credit for doors and skylights at a value of 0.30; and consider all doors to be in the same category, regardless of their operation.

Moreover, AAMA requested a U-factor stretch of 0.03 for high-altitude applications, where a breather tube may negate the thermal performance improvements provided by inert gas fill. For the northern zone, the association recommended that the alternative SHGC trade-off criteria (≥0.40) for a U-factor of 0.32 be reduced to a SHGC of ≥0.20 or ≥0.25 to allow for the use of higher-performing glass that is currently available.

Energy Star is a voluntary program so manufacturers aren't required to comply, but in a market that has seen interest in energy efficiency and green building, failure to meet the standards could weaken a company's market position.

It's likely that most large window manufacturers and some small ones will have products that meet the new rules and should have little trouble. Vinyl and fiberglass windows, Koester says, will easily pass the new threshold, but some manufacturers who make extruded aluminum-clad products will have a hard time. "It will present a serious challenge for some of those manufacturers," he says. *(see page 52)*



SNAPPY DESIGN: Available with snap-in between-the-glass blinds, fabric shades, and removable grilles, the Designer series casement window flatters any interior. Available in sizes up to 4 feet 11 inches wide and 6 feet 1 inch tall, it will achieve a U-factor of 0.23 and solar heat gain coefficient of 0.17. It has a low-maintenance EnduraClad exterior and pine interior. ■ **Pella Corporation. 888-847-3552. www.pella.com.**



CASE GOODS: The Ultimate Casement Collection achieves U-factors as low as 0.27 and solar heat gain coefficients of 0.24 with 1-inch tri-pane glazing and argon gas. Offered in a variety of sizes, the windows feature wood interiors and aluminum-clad exteriors in a multitude of colors. A special wash mode allows the window to pivot 140 degrees for easy cleaning from inside the house. ■ **Marvin Windows & Doors. 888-537-7828. www.marvin.com.**

GOT A NEW PRODUCT?

E-MAIL NIGEL F. MAYNARD AT:
nmaynard@hanleywood.com

UPlink // FOR MORE PRODUCT INFORMATION, VISIT EBUILD, HANLEY WOOD'S INTERACTIVE PRODUCT CATALOG, AT WWW.BUILDERONLINE.COM/PRODUCTS OR EBUILD.COM.





Burn Notice

Can wood-burning fireplaces become popular again?

ONCE UPON A TIME, ALMOST ALL NEW houses came with a wood-burning fireplace. That's how important the product was to American life. A fireplace is still a desirable feature, but traditional wood-burning fireplaces are slowly disappearing as gas products grow in popularity and concerns about air pollution force more jurisdictions to institute no-burn days for non-certified products.

"About five or six years ago, we saw the writing on the wall," says Thomas Stroud, senior manager for codes and standards at the Hearth, Patio, and Barbecue Association (HPBA) in Arlington, Va. The fear was that only EPA-certified products—wood inserts, wood stoves, and pellet-burning products—would be allowed.

But now a handful of fireplace manufacturers are working with the EPA as part of the Low Mass Wood-Burning Fireplace Program, and it may just save the category.

"The goal of the program is to encourage manufacturers to produce clean wood-burning appliances that reduce air pollution," says Kathy Repp, brand manager for Heatilator at Hearth & Home Technologies in Mount Pleasant, Iowa.

Traditional wood fireplaces have become pariahs in some jurisdictions because the combustion process contributes to air pollution. Unlike traditional non-certified fireplaces, however, the new low-mass units reduce particulate emissions by 75 percent to 90 percent. Stroud says some products will be certified to burn with their doors open or closed, while others may only be certified with the door closed.

A new generation of open-faced wood fireplaces would be welcome news to consumers who prefer a wood fire, and it could reverse the downward trend wood fireplace products have been experiencing over the last 10 years.

The program covers zero-clearance fireplaces as well as masonry units that burn wood. So far, only a handful of companies have signed the agreement with the EPA to participate in the program, but Stroud says those companies are responsible for about 90 percent of the products. **B**



SKY'S THE LIMIT: PureSky is for home buyers who want a wood-burning fireplace that is environmentally friendly. Unlike wood fireplaces that need doors, the zero-clearance unit burns cleanly with the door open or closed and produces 65 percent fewer emissions than a standard wood fireplace that's exempt from EPA regulations. ■ **Heatilator by Hearth and Home Technologies. 319-385-9211. www.heatilator.com.**



CLEAR VISTA: The Villa Vista wood-burning fireplace is equipped with catalytic technology that allows the unit to burn 72 percent efficient and meet EPA Phase II emission standards. A cast-iron door with ceramic safety glass allows viewing of the firebox, and a blower redirects heat into spaces up to 2,500 square feet. An air-wash system keeps the glass soot free. ■ **Lennox Hearth products. 800-953-6669. www.lennoxhearthproducts.com.**



EMISSION CONTROL: The Isokern pre-fabricated fireplace features the HearthCat Emission Control System, which results in a clean-burning, open-hearth masonry unit. A catalytic converter and a specialized hood help reduce particulate emissions by as much as 90 percent. Emissions are below 3.2 grams per kilogram, which meets the EPA's Phase II emissions requirement of 5.1 grams. ■ **Earthcore Industries. 800-642-2920. www.earthcoreindustries.com.**



LIGHT IT: Renaissance Rumford produces no visible smoke within two minutes of lighting a fire with normal firewood. The emissions level with the door open is 3.15 grams per kilogram, which is 70 percent less than a typical fireplace with the door open, and emissions with the door closed is 0.60 grams per kilogram—93 percent less than a typical fireplace with the door closed. ■ **Renaissance Fireplaces. 450-565-6336. www.renaissancefireplaces.com.**

UPlink // FOR MORE PRODUCT INFORMATION, VISIT EBUILD, HANLEY WOOD'S INTERACTIVE PRODUCT CATALOG, AT WWW.BUILDERONLINE.COM/PRODUCTS OR EBUILD.COM.

TECH TOOLS

TECHNOLOGY FOR THE MODERN HOME BUILDER ■ EDITED BY DAN DALEY

TECHNOLOGY COMBINATIONS

Creative Collaboration

HomeFront and Sales Simplicity are among companies that have joined forces to offer an end-to-end tool.

As with consolidation of businesses or organizations, software consolidation has a similar goal: bundling integrated systems and services to create a solution that gets a customer (in this case, the builder) closer to an end-to-end scenario.

The International Builders' Show saw more collaboration between software developers. HomeFront Complete is a combination of HomeFront's new CustomerBuilder project management solutions and Builder1440's billing and support solutions. The CustomerBuilder Web-based CRM and contact/eLead management system are provided to customers on either a software-as-a-service* (SaaS) model (hosted by Sales1440) or a self-hosted model, and billings and support are handled by Builder1440 for that product. HomeFront provides technical support for all other HomeFront products within the HomeFront Complete suite, achieving what HomeFront CEO Daryl Shenner calls "functional synergy." "We had to get deep into each others' products to combine applications to achieve click-through functionality," he says.

Other companies are creating webs of collaboration. Sales Simplicity Software, which sells its sales automation, contact management, and CRM tool for production home builders, is a BASE Alliance member but also collaborates with more than a half-dozen other companies, including Punch List and Envision. "When you see a builder using software from a company you integrate with, it creates a sales opportunity for us," states Sales Simplicity president Barry Forbes.—*D.D.*

**Note: Software as a Service is a model of software deployment whereby a provider licenses an application to customers for use as a service on demand. SaaS software vendors usually host the application on their own Web servers or download the application to the consumer device.*

GREEN BUILDING

Free Advice

GreenBuildingAdvisor.com launches an online source for building green in the real world.

BuildingGreen's new GreenBuildingAdvisor.com is a one-stop database of green-building expertise. Nearly 1,000 construction drawings and other resources, including notes on building codes, installation videos, and products, detail ways to achieve sustainability for various home types and climates.

It comes at a good time: When the new-home construction market begins to recover in the next two to three years, sustainable, green construction could outpace conventional methods, with the value of green building construction starts reaching between $96 billion and $140 billion, according to McGraw-Hill Construction's "2009 Green Outlook: Trends Driving Change" report.

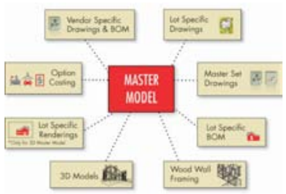


The Web site aggregates information from several sources, including BuildingGreen.com's GreenSpec online product directory and contributions from their 15-member advisory board of working builders, remodelers, architects, and engineers. Especially useful is how the site acts as a clearinghouse for information and advice on building codes as they relate to green building.

A substantial portion of GreenBuildingAdvisor.com, including product discussions, case studies, news, blogs, and a community forum, is free. Full access to the site requires membership as a GBA Pro on either a monthly ($15 per month) or annual ($149.99 per year) basis.—*D.D.*

Options Issues

Simpad CEO and founder Richard Kashian says Blackpoint's just-released software lets builders create and maintain all document outputs, such as master drawing sets, lot specific drawing sets and BOMs, vendor



specific drawings, and option costing reports from a single central CAD data source. Blackpoint is targeting production builders, charging $125 per house plan.

Cloud Forms

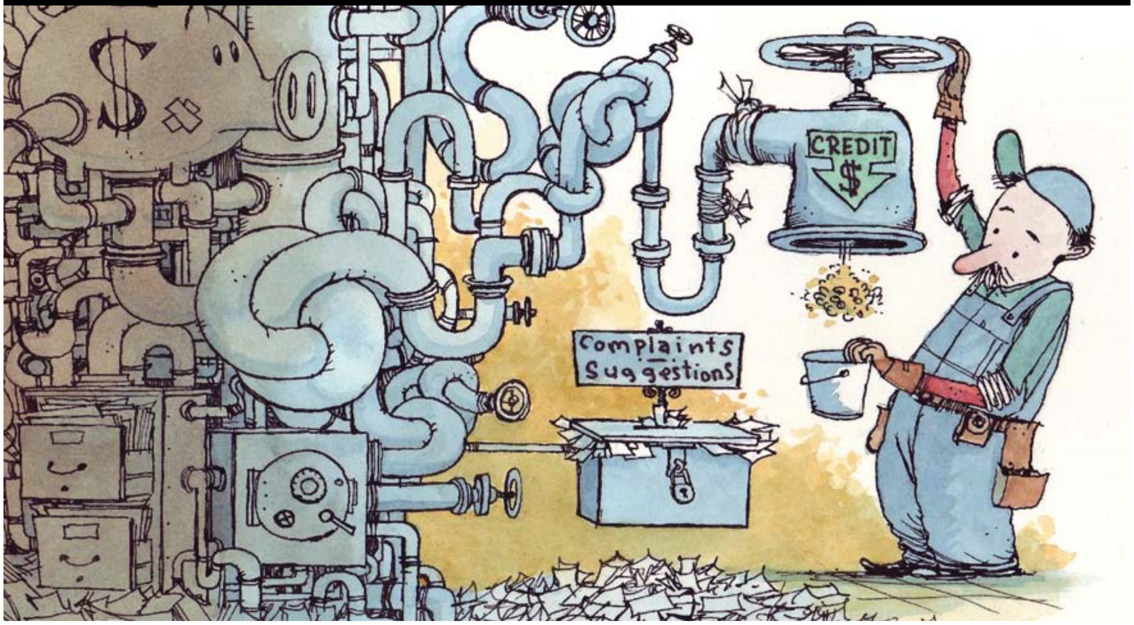
Amazon's Elastic Compute Cloud (EC2) will host IBM's software in the cloud with a pay-as-you-go model. Developers will get free Amazon Machine Images for development and testing on EC2. The agreement will let IBM clients access IBM DB2, Informix Dynamic Server, WebSphere Portal, Lotus Web Content Management, WebSphere sMash, and Novell's SUSE Linux operating system in the cloud.

DO YOU HAVE A TECH STORY?
E-MAIL DENISE DERSIN AT:
ddersin@hanleywood.com

Go to http://builder.hotims.com for more info

NATIONAL BEAT

NEWS FROM HOUSING'S GROUND ZERO ■ EDITED BY CLAIRE KOLTKO



DAVID CLARK

FROM THE CHAIRMAN

Tell Your Story

The NAHB is calling on members to help in the effort to get credit flowing.

OF ALL THE PROBLEMS ASSOCIATED WITH today's housing industry crisis, there's no question that the virtual shutdown in AD&C lending is the most severe.

Not only are lenders simply refusing to consider new AD&C loans, they also are making demands on existing loans that far exceed sensible regulatory requirements. As a result, our members and our industry are suffering. Unreasonable demands are impairing many performing loans, and in some cases, they are forcing builders with viable projects into insolvency.



JOE ROBSON
CHAIRMAN OF THE BOARD, NAHB
WASHINGTON, D.C.

At the heart of the problem are regulators who are conducting more frequent bank examinations and requiring institutions to update appraisals on AD&C projects and to increase loan loss reserves.

Due to this overblown regulatory scrutiny, many builders are rapidly drawing down interest reserves and are having to put up additional equity as appraised values decline.

Further complicating this already difficult situation is the rising number of bank and thrift failures. Builders with outstanding loans that are *(see page 58)*

NAHB BRIEFS

Bracing HBAs

The NAHB has begun two assistance programs designed to strengthen state and local HBAs so they can operate effectively during the downturn. Under the discounted NAHB State and Local Support Services program, HBAs will receive a 50 percent discount on the programs and services offered by the NAHB Affiliate Services department. The second program has created a one-time $500,000 financial aid program for 139 struggling HBAs that have not been able to achieve specific membership and retention thresholds. For information, to determine grant eligibility, or to apply, visit www.nahb.org/hbasupport.

Touting Credits

Home builders expanding into the remodeling market will be interested to



know that the NAHB and NAHB Remodelers have created free guides and ▶

placed under the control of the FDIC are frequently unable to contact a decision maker to deal with matters related to loan draws or extensions.

Just to be clear, let me emphasize that we all know that it is essential to correct the regulatory shortcomings that contributed to the ongoing crisis in the credit and housing finance markets. But we also know from long experience that the economy will not emerge from recession until the housing sector rebounds, and that won't happen until builders can get AD&C loans.

The NAHB has been working on builder credit problems for some time, but the accelerating degree of the crisis demands even more intensive action. To that end, the NAHB has launched a comprehensive initiative to focus attention on the urgent need to get credit flowing to the housing industry once more.

The campaign, which will use the NAHB's national and grassroots resources, will include regulatory, legislative, and public affairs components as well as coalitions with industry and banking organizations.

One of the initiative's key elements involves joining with banking organizations in meeting with the Treasury Department and federal banking officials to explain how housing is being affected by overzealous regulators, and to explore possible remedies. We expect these meetings to focus on four main areas:

- Curbing regulatory excesses that are occurring in field level examinations;
- Seeking reforms in asset valuation methods and systems;
- Developing viable loan workout techniques and disseminating those to builders, lenders, and bank examiners;
- Designing new regulatory approaches that go beyond the current rules and guidelines to facilitate working out loans in depressed markets.

We will definitely be calling on the grassroots for support in this important effort. In particular, we would like to hear from members about their experiences with inappropriate or unreasonable regulatory actions.

I urge anyone who has come up against inappropriate regulatory actions to report them to John Dimitri at the NAHB: 800-368-5242, ext. 8529 or jdimitri@nahb.com. **B**

THE NAHB RESEARCH CENTER CORNER

Booming Green

The National Green Building Standard has shifted into high gear.

THIS SPRING HAS BEEN full of firsts for the NAHB Research Center's National Green Building Certification program.

In March, a Tucson, Ariz., home featured on ABC's "Extreme Makeover: Home Edition" was the first home in the country certified by the Research Center to the ICC-700-2008 National Green Building Standard.

Understanding that the home's owners, the Bells, especially their 14-year-old daughter Lizzie whose immune system is significantly compromised by a rare blood disease, needed a peaceful, safe, and healthy environment to call home, the design and construction team knew they wanted this house to be green. To that end, the television show's producers and builder John Wesley Miller were determined to have it certified to the standard. Although going through the scrutiny of two verification inspections to ensure that every point claimed was visually inspected by the verifier added another layer to the already challenging nonstop construction schedule, participants said they wouldn't have had it any other way.

Right on the heels of this exciting first, the Village in Burns Harbor, a neo-traditional community in northwest Indiana, became the first in the country to earn land development certification to the National Green Building Standard.

The 60-acre parcel was carved from unused farm fields and old commercial sites in the town of Burns Harbor, a once-dying steel town an hour outside Chicago. Developer T. Clifford Fleming protected environmentally sensitive areas, preserving existing vegetation and the natural water and drainage features on the site while adding more plants native to the region. The high-density residential areas of the community are connected by sidewalk to the town center, and two South Side railroad line stations are within five miles of the development, providing easy access for commuting.

Since February 2008, the Research Center has been administering National Green Building certification using the NAHB Model Green Home Building Guidelines as its scoring platform. The option to have a project scored to the National Green Building Standard became available when the standard was approved by ANSI in January 2009.

NAHB BRIEFS

resources on the expanded 30 percent federal energy-efficiency tax credits. Remodelers can use these resources to help explain the tax benefits available to prospective customers for improving the energy efficiency of their homes. The federal tax credits are expected to generate about $6 billion in green renovation projects through 2010, according to congressional economists. For information, visit www.nahb.org/efficiencytaxcredit.

Mass Appeal

K. Hovnanian Homes has partnered with the U.S. Department of Energy's Building America program to help the national home building company produce energy-efficient, environmentally sensitive, affordable housing on a production basis.



Four Building America prototype homes are now underway and are expected to achieve energy savings of about 40 percent over traditional construction.


LHD50 Linear Gas Series
HD
LINEAR

Free Fall Over?

Thanks largely to the Fed's strong response, the free fall may be behind us.

THE U.S. ECONOMIC RECESSION TURNED INTO A FREE FALL IN the final quarter of 2008 and the first quarter of this year. Furthermore, the recession recently became truly global in scope and nature as trade flows collapsed around the world and flows of financial capital faltered badly.

It's easy to imagine a bottomless black hole when the U.S. and global economies go into a contraction phase that's worse than anything since the Great Depression. But the economy has better recuperative powers than it did in the 1930s; U.S. policy structures are stronger and more responsive, and the extreme seriousness of the situation has prompted an unprecedented degree of international policy coordination. So we're not locked in a death spiral, and the period of economic free fall most likely is behind us.

POLICY STIMULUS

It's impossible to overstate the importance of the multifaceted policy blitz enacted in 2008 and 2009 to counter the deepening recession and the breakdowns in financial systems. It's fair to say that the policy blitz is saving the U.S. and global economies from truly disastrous circumstances.

The Obama administration's American Recovery and Reinvestment Act should provide substantial support to the economy over the balance of this year and in 2010. The other two legs of Obama's policy stool, the Financial Stability Plan and the Homeowner Affordability and Stability Plan, are critical complements to the fiscal stimulus bill.

The Federal Reserve has pulled out the stops as the economic and financial market crisis has broadened and deepened. The Fed recently pushed traditional monetary policy to its limit and has invoked emergency powers to deploy unconventional balance sheet policies to bolster faltering credit markets—including the home mortgage market.

The Fed also is partnering with the Treasury and the FDIC to jump-start various asset-backed securities markets and to implement portions of the Treasury's new Public-Private Investment Program, which is designed to get troubled legacy assets off the balance sheets of financial institutions.

GREEN SHOOTS

Fed chairman Ben Bernanke recently talked about "green shoots" that presage economic stabilization and recovery. Tender shoots have begun to appear in some sectors and in financial markets.

Perhaps most important, consumer spending has stopped declining following a sharp downshift. A strong surge in business inventory liquidation also appears to be running its course. With respect to housing, sales activity apparently is stabilizing as price and interest rate reductions drive affordability upward and the new first-time home buyer tax credit gains traction.

In financial markets, the forward-looking stock market has regained some ground; interbank loan markets have thawed considerably; and LIBOR rates have fallen from stratospheric levels. The Fed's unconventional balance sheet policies have improved credit conditions in markets for home mortgages, consumer loans, and business loans; and quality spreads have narrowed to some degree in bond markets.



FALSE SPRING?

There's certainly a significant risk that the tender green shoots will burn out rather than blossom into recovery. The job market, which typically is a lagging indicator (not a source of green shoots), could deteriorate more than expected in coming months and cause consumers to hunker down again. Or the new Treasury plan to recapitalize banks and round up legacy assets could fail to gain traction. Consumers and home builders may find it even more difficult to obtain mortgage credit to buy or production credit to build additional homes.

Despite the downside risks, the odds favor the NAHB's baseline economic forecast, which shows fading of weakness in the second quarter followed by sub-par growth in the second half of 2009, a gathering recovery in 2010, and a solid low-inflation expansion for several years into the future.

DAVID CROWE
Chief Economist
NAHB
Washington, D.C.
e-mail: dcrowe@nahb.com

green solution

ENVIRONMENTS FOR *Living*
CERTIFIED GREEN

The *Environments For Living*® program offers the ultimate in design and product flexibility. And one more thing—**a Limited Guarantee.***



ENERGY EFFICIENCY

INDOOR ENVIRONMENTAL QUALITY

DURABILITY

WATER EFFICIENCY

Builders across the country are engaging the *Environments For Living* program and the *Environments For Living Certified Green* program offered by **Masco Home Services, Inc.** to distinguish their new homes in a competitive market and effectively address the increasing value placed on efficient energy use for heating and cooling and indoor comfort among prospective buyers.

In the majority of communities in which it builds, across seven states, David Weekley Homes offers the *Environments For Living*® program as a part of a comprehensive initiative to deliver high-value housing. "It's a matter of integrity that we are consistent across those markets," says Project Coach, Mike Funk, who leads the effort for one of the nation's largest privately held builders. "If it's right for one buyer, it's right for all of them."

The builder's commitment to the *Environments For Living* program grew from an interest in energy efficiency and building science dating back to the mid-1990s—the same foundation that inspired and continues to inform the only national turnkey program of its kind from Masco Home Services, a Masco company. "We were able to ramp up to the program standards because of the improvements we'd made already," says Funk. "The *Environments For Living* program is just a logical next step for us, and as it continues to move forward, so do we."

In addition to establishing a high benchmark for housing performance, specifically energy use for heating and cooling and for indoor comfort, the *Environments For Living* program provides participating builders like David Weekley Homes with an unprecedented and unmatched marketing tool: the only performance guarantee offered by a national green-labeling program. "That's an easy concept for buyers to understand and a real opportunity for us to stand out in the market," says Funk, especially considering the current housing climate and the near-saturation of builders marketing themselves as "green," regardless of how (or whether) that term is defined.

To eliminate any mystery and give the program its teeth, the *Environments For Living* limited

FAST FACTS ABOUT THE *ENVIRONMENTS FOR LIVING*® PROGRAM

- The limited guarantee on heating and cooling energy-use and comfort is the only one of their kind offered by a national program.
- Builders must follow specific requirements for tight construction, fresh air ventilation, improved thermal systems, right-sized HVAC equipment, air pressure balancing, internal moisture management and combustion safety, among other specifications.
- Builders have several program levels to choose from. Each level has different stringent requirements for construction and performance.
- In addition to providing guidance and tools to builders on how to achieve high-performance homes, the *Environments For Living* program and the *Environments For Living Certified Green* program make available a limited guarantee for heating and cooling energy use and comfort. For complete program details, please visit **environmentsforliving.com**.
- Builders of any size and in any region of the country can participate, as the standards are adaptable to climate conditions and regional building practices.
- The program's turn-key services include training, a national plan review center, an extensive network for field certification and testing, and help with identifying companies that are able to install products that meet the program requirements.

*See the guarantee for complete details and limitations at **www.environmentsforliving.com** or call 866-912-7233.





Photos by Rob Muir

guarantee for heating and cooling energy use specifies the amount of energy needed annually to heat and cool the home, as determined by plans and specifications submitted to Masco Home Services' Ecovaluation℠ plan review department. Similarly, the program's limited comfort guarantee states that the temperature at the location of the thermostat will not vary more than three degrees from the center of any conditioned room within the thermostat's zone. The limited guarantee provides complete details.

Among the 10 markets in which it applies the *Environments For Living* program standards, Weekley's operation in Houston builds to the program's Platinum level, which also allows the builder in that market to cash in on federal energy tax credits to help offset the cost of high-performance heating and cooling equipment and other products and systems prescribed in the program's standards.

What's perhaps most remarkable, though, is the flexibility afforded to builders using the *Environments For Living* program as the backbone of their commitment to better-built housing. Both prescriptive and performance-based, the program standards do not require the use of any particular product brands and do not require a certain number of points or credits to qualify; rather, builders can work with their existing suppliers and subcontractors to determine the specifications that not only meet the *Environments For Living* program's performance thresholds but also issues of budget, local availability, and marketability.

That flexibility also extends to how builders portray the *Environments For Living* program in their own marketing and sales efforts. David Weekley Homes, for instance, includes the standards as a cornerstone within an in-house Green Home program offered in several markets.

While Funk appreciates that the *Environments For Living* program offers independent, third-party verification of the builder's practices—not to mention performance guarantees and possible tax credits—he also values being able to build and refine David Weekley Homes as a leading brand of high-value housing and superior customer satisfaction. "First and foremost, we're selling David Weekley Homes," he says.

And thanks in many ways to the *Environments For Living* program, David Weekley Homes is one builder that's been able to not just weather the current housing recession, but launch a comprehensive and market-driven green building program during the downturn to gain valuable market share for the industry's eventual recovery.


VT INDUSTRIES
Fine Laminate Countertops
WWW.VTINDUSTRIES.COM
GREENGUARD
Go to http://builder.hotims.com for more info

ONLINE EXCLUSIVES
Be sure to visit **www.builderonline.com/Builder100** for additional data on this year's top 200 builders.

THE HARD TIMES THAT BEGAN IN 2006 FOR THE HOUSING industry dragged on through 2008. That was especially true for those companies that compose our BUILDER 100, whose market share of total closings fell last year to 38.7 percent from 41.2 percent in 2007. The top 100 companies also saw their revenue plunge by more than 40 percent to $67.4 billion. Within that group, the 10 largest builders—which collectively have written off billions in asset impairments during this recession—saw their share of total closings erode to 22.7 percent from 24.2 percent in 2007. The big builders' aggregate revenue suffered a nearly 40 percent decline to $37.6 billion.

Builder 100

INSIDE



After a tumultuous 2008, surviving BUILDER 100 companies prepare to regain old ground.

Builder 100

PLANNING AN ASCENT

JOHN CAULFIELD

STEVE HILTON, CEO OF MERITAGE HOMES, BELIEVED THAT A DECENTRALIZED business model for producing semi-custom luxury homes would shield his company from any major downturn in buyer demand. But a persistent housing recession wrapped inside an unraveling economy—which precipitated the nearly $600 million in losses that Scottsdale, Ariz.–based Meritage reported over the past two years—shook those tenets to the point where Hilton has made "strategic shifts" toward centralized management and entry-level construction.

These major tactical changes helped Meritage survive a home building recession that has taken down at least 75 companies and led countless other builders to slash their workforces, close divisions, exit markets, write down billions of dollars in assets, and suspend construction activities. Many of the other survivors on this year's BUILDER 100 list made similar structural changes to their operations that position them to take market share in coming years. But when asked how long he'll keep those changes in place, Hilton responds, "for a long time, but probably not forever."

Therein lies a paradox that trails the collapse in the housing market: Are builders experiencing what Jim Loewenberg, co-CEO of Chicago's Magellan Development Corp. sees as "The Great Epiphany," which is spurring a reinvention of their businesses in a world transformed? Or are they moving "from a volume focus to a cost focus," in the words of Dick Norwalk, COO of G.L. Homes in Sunrise, Fla., and doing whatever is necessary to survive a downturn of epic proportions only to resume business as usual once economic conditions improve?

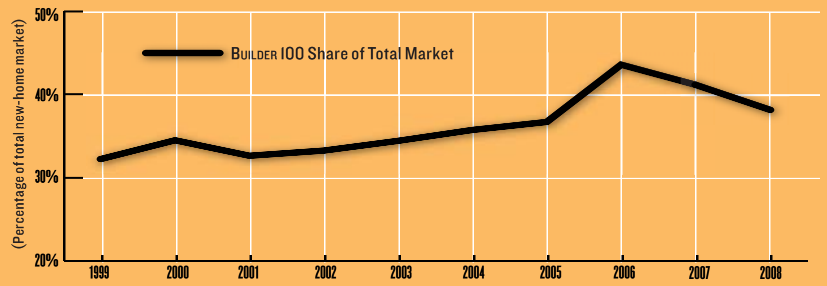
Well, the recession certainly has turned conventional wisdom about land, debt, product diversity, and expansion on its head. It will be hard for builders to shake the memories of a year during which new-home sales were off from a weak 2007 by 37.5 percent, housing starts fell by 33.1 percent (and by 40.5 percent for single-family units), and building permits tumbled by 35.1 percent, according to Census Bureau estimates. New-home prices, competing against mountains of unsold existing houses and foreclosures, shrank by nearly 7 percent to an average of $230,600 and continued to fall through the first quarter of 2009.

"It's a stupid business to be in right now," says a frustrated Michael Lerner, president and founder of MCZ Development in Chicago, whose revenue fell by 80 percent last year. Bill Clark, owner of Bill Clark Homes of Greenville, N.C., which in 2008 closed about half the number of homes it closed in 2006, thinks that anyone making money "is a genius. We've tightened every nut. But right now, nothing's working."

Some builders recognize the need to break from their pasts to prepare for the future. "Builders should be asking themselves 'am I a merchant builder or a land developer?'" says Doug Bauer, the former COO of William Lyon Homes of Newport Beach, Calif. (See "Rules of Engagement," page 69.) But other builders see their survival so far as validation of their flexible business models, regardless of how much

PHIL FOSTER

10-YEAR MARKET SHARE



YEAR	TOTAL FOR-SALE UNITS	TOTAL B100 CLOSINGS	MARKET SHARE
1999	935,000	301,450	32.24%
2000	937,000	323,288	34.50%
2001	983,000	320,810	32.64%
2002	1,036,000	344,574	33.26%
2003	1,142,000	393,178	34.43%
2004	1,256,000	448,851	35.74%
2005	1,380,000	504,670	36.74%
2006	1,149,000	500,722	43.58%
2007	873,600	359,689	41.17%
2008	586,000	226,856	38.71%

LOOSENING THEIR GRIP: Total closings of single-family and condominium homes declined last year by nearly one-third to an estimated 586,000 units. The Builder 100 saw their closings, as a portion of that total, get smaller, and notions of controlling half of the market, which seemed probable only a few years ago, have been put on hold.

money they've lost. "I don't think there's anything we would change," says Jeff Mezger, CEO of KB Home. "Our model has worked well for us during the down period, and we think it will be a real differentiator when things turn around."

MANDATORY MULTITASKING

While most builders contacted are content with their companies' business models, they are also spending a lot of time fixing potholes that the recession has deepened.

"We had too much fat, and we wasted a lot of money on advertising," says Clark, whose company has discontinued all newspaper ads. Craig Perry, owner of Centerline Homes of Coral Gables, Fla., is scrutinizing every aspect of his business today because "margins are thinner and mistakes are more relevant." Centerline reduced its workforce to 63 people from 150 at its peak and is asking its remaining employees to "pick up the slack." Indeed, as builders get leaner they must rely on fewer people doing more.

Orlando, Fla.–based Park Square Homes was paying its six area managers $200,000 to $300,000 each. But when the recession hit, they suddenly became expendable, says CEO and co-owner Suresh Gupta. Senior-level management got more involved in day-to-day operations, "and we uncovered tremendous talent among our rank and file, which we hadn't seen before," he says. Rausch Coleman Homes of Fort Smith, Ark., has its managers handling multiple areas, and some employees are even cleaning its offices at night, says president and CEO John Rausch. Meritage's divisional presidents are in the trenches, too, after the builder eliminated "a lot of vice presidents," says Hilton.

Still, some builders are wary about cutting too deeply into bone: G.L. Homes has resisted laying off its "core" people, says Norwalk, because "we don't want to be a shell of who we were when the recovery comes." Desert View Homes in El Paso, Texas, has been hiring and has had luck attracting laid off workers from other companies who wouldn't have considered relocating there during the housing boom.



Park Square Homes reengineered its newer homes to lower their prices, says CEO Suresh Gupta.

LOW-PRICE LIMBO

Desert View's CEO Randy O'Leary says his company has been "shoring its foundation" by replacing outmoded process software, some of which was a decade old. But one area this builder is still working on is its pricing. The recession has left builders scratching their heads about what price/size/quality equation will get buyers off the fence when, observes Mezger, "the price points of today are the market going forward." Even though Desert View is an entry-level builder in its markets—El Paso, Las Cruces, N.M., and Colorado where product changes helped lower prices by $26,000—"we have to figure out how to cut our costs by a minimum of 10 percent," O'Leary asserts.

The notion that builders selling affordable homes would fare better in a recession imploded when companies such as Choice Homes and C.P. Morgan Communities, which featured low-priced houses, couldn't make it. But affordability will be a marketing imperative for builders as long as their areas are inundated with foreclosures, which are what KB is combatting with its low-cost Open Series homes. Park Square has reengineered its newer houses so that their average price is $250,000, from $400,000 at peak when, says Gupta, "we ignored affordability, we ignored people's incomes, and just kept building." Some of Park Square's new homes start at $150,000.

Before it opened a resort community in Kissimmee, Fla., Park Square spoke with local brokers about what they thought would motivate buyers. "We were told that buyers want the least amount of monthly payments," says Gupta, "So we decided not to build a clubhouse and went back to the cable company to unwind a contract that made it compulsory [for homes to accept] cable." By doing that, Park Square helped bring down monthly HOA fees to $125 from what they would have been—$300—with those amenities.

Builders have also been able to lower their construction costs because their relationships with subcontractors have strengthened during the recession. "To get your prices in line, you've got to bring your trades into the picture," says O'Leary. MCZ's newest homes are 20 percent smaller

and 25 percent less expensive after it hired contractors and engineers with experience in building affordably.

SHOW ME THE MONEY

Building anything, though, is difficult when banks won't finance projects.

Lerner says banks are funding only those projects "they are comfortable with," such as a second-home community MCZ is building in St. Joseph, Mich. But Steve Roberts, CEO of McCar Homes in Alpharetta, Ga., also notices an attitude adjustment among banks away from blaming builders for their financial problems and toward "trying to find ways to keep preferred builders operating."

That being said, a growing number of builders have concluded that they must recapitalize, but they wonder how. In February, Atlanta-based Ashton Woods Homes restructured $125 million in debt by turning over 20 percent of its ownership to bondholders. Around the same time McCar, whose financing comes in part from a 10-bank syndicate, was attempting what Roberts calls a "full-scale restructuring and recapitalization." Roberts doesn't think many private builders can survive unless they recapitalize. "There's no equity left in their companies, and they will continue to feel downward pressure on prices."

But where will that money come from? Magellan, which owns enough lakefront property to put up 10 more condo buildings, was looking overseas to formalize an arrangement with a South Korea–based company that helped finance three previous projects, says Loewenberg. Clark, though,



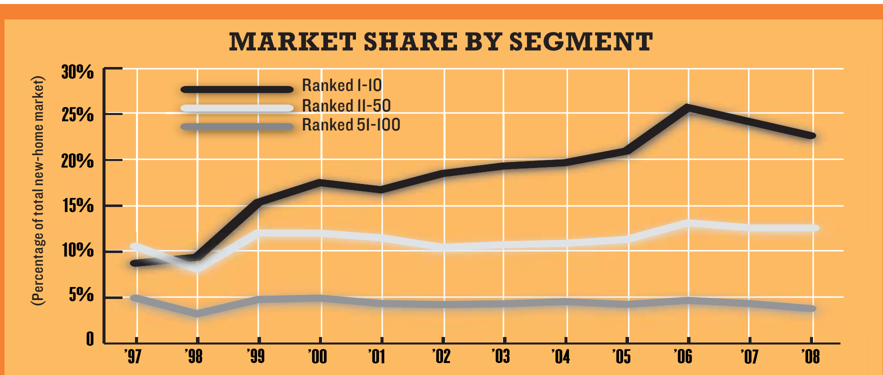
HIGH-RISE HOPE: Magellan's Jim Loewenberg (right), with co-CEO Joel Carlins.

says private equity is too expensive. "My company has $50 million in net worth, and a partner would want to come in, put up $12.5 million, and expect to get half of the company." Mark McMillin, CEO of The Corky McMillin Cos. of San Diego (which recently negotiated three bank-financed construction loans for projects in California's Central Valley), says investors will put up as much as 80 percent of a project's

Banks "are trying to keep preferred builders operating."—Steve Roberts, CEO, McCar Homes

equity in exchange for half of the profit. But some want to be in and out of deals within three years. "We tell them that's not possible, at least in the first round of financing."

McMillin, like other builders, is generating cash by building out subdivisions for banks with distressed assets. His company is under contract with one bank to complete 58 projects in California and Arizona, each of which includes between 70 and 100 homes. In one project for which McMillin is completing, Bank of America has nearly 1,000 lots. Another 97-lot project, which a previous builder abandoned, had streets and sidewalks installed "and tumbleweeds



MIDSIZE MISFIRES: While big builders got all the press last year about their business losses, those ranked 51 through 100 actually took a much bigger percentage hit in their number of closings from the prior year.

Rules of Engagement

How one former home building executive would restructure his company to align with market realities.

After more than 21 years with William Lyon Homes, Doug Bauer resigned as that builder's president and COO in March to spend more time with his family and pursue personal interests. Before he left, the 48-year-old Bauer shared his thoughts with BUILDER about what "core disciplines" he'd follow if he were reinventing a home building company, in light of current economic conditions:

1. Maintain no more than a 50 percent debt-to-capitalization ratio.
2. Purchase land with low leverage through options and from land banks.
3. Maintain a true two-year inventory. "And it's okay to be short," he says.
4. Structure liabilities with short- and long-term debt instruments. "What's keeping a lot of builders alive today are bonds. It's the same thing as the auto industry." The challenge for a builder is generating enough cash to get out from under its bond obligations, especially when the bonds builders floated were based on volume expectations that "are nowhere near today's."
5. Be opportunistic about growth. Stick to transportation corridors but don't get locked into one or two customer bases. "And don't just go for market share."
6. Whenever the market turns, "move quickly to monetize assets."
7. Place greater emphasis on ancillary activities—such as doing general contractor work or having supervisors or warranty specialists do inspections for resale brokers—"so that your employees have something to do when the housing market goes bad."
8. "Try not to be so naïve."

Builder 100

In From The Cold

Will the Pulte-Centex deal thaw a frozen industry?

When news leaked out late last year that TOUSA was in talks with Standard Pacific about a possible asset sale, some industry watchers must have thought that, finally, an industry with too many builders to begin with, and so many that have failed or are bankrupt, would start to consolidate big time.

But while a few opportunistic companies had seized upon distressed assets, the recession had generated scant merger and acquisition activity on the housing front. That trend seemed to be confirmed when TOUSA and StanPac stopped talking in February.

2009 might tell a different story, especially after Pulte and Centex merged in April, creating what is by far the largest home builder in the country. Those builders' aggregate $11.6 billion in revenue and 39,000-plus closings last year are double the volume and nearly 40 percent more in closings than what D.R. Horton posted for 2008 and will likely knock it from its top perch in next year's Builder 100 ranking.

Richard Dugas, Pulte's chairman and CEO, characterizes this merger as a marriage of remarkably similar builders that, as one, would be able to reduce debt, cut costs, and return to profitability quicker. And while Dugas insists that supersizing Pulte wasn't what motivated this $3.1 billion deal, the combined company has $3.4 billion in cash to play with and now operates in 59 markets in 29 states and the District of Columbia.

The new Pulte's home building business also has an estimated $6.2 billion in debt. Its debt and land positions could prevent other besieged builders from finding merger partners. And some analysts still suspect that Pulte-Centex could turn out to be a one-off deal, especially when the market caps of several public builders remain stubbornly below their cash holdings.

CLOSING WINNERS

RANK	BUILDER	% CHANGE
1	HearthStone Homes	44%
2	Novare Development	21%
3	LGI Homes	9%
4	The Mungo Cos.	4%
5	Taylor Morrison	2%
6	Stanley Martin Cos.	0%
7	Home Creations	-1%
8	Habitat for Humanity International	-3%
8	Dan Ryan Builders	-3%
10	Keystone Custom Homes	-6%

CLOSING LOSERS

RANK	BUILDER	% CHANGE
1	MCZ Development	-78%
2	Wood Partners	-69%
3	American West Development	-68%
4	Pacific West Cos.	-56%
5	Lennar Corp.	-53%
6	Trammell Crow Residential	-52%
6	The Olson Co.	-52%
8	Eastwood Homes	-51%
9	Park Square Homes	-49%
9	William Ryan Homes	-49%

THE CHOSEN FEW: Only six of the Builder 100 increased their closings in 2008, led by Omaha's HearthStone Homes, which may have benefited from that metro's low unemployment rate. The collapse of Chicago's housing market, on the other hand, did in MCZ Development last year.

4 feet high," McMillin says.

When its lender told Desert View that its ratios were out of whack, the builder recapped its New Mexico and Colorado divisions out of its cash flow, says O'Leary. A number of other builders are trying to figure out how they can self-finance, too. "We need to make do with what we've got," says Hilton about Meritage, which has $200 million in cash and a $112 million rebate coming from the government.

GROWING IN ONE'S BACKYARD

The recession is also forcing builders to rethink where they will build. Centerline has been exiting second-tier markets such as Fort Myers, Fla., where, says Perry, "the only job growth was from the construction industry."

While a few builders, such as G.L. Homes, are looking for development opportunities, most have lost their appetites for purchasing and developing raw land, especially when the recession is likely to leave a ton of low-priced finished lots available.

Roberts fears that companies such as his will be at the mercy of big public companies that have the financial clout to scoop up those bargains. "We'll come in and pick up lots for $60,000 that the big publics purchased for $30,000," he says. But large builders are having second thoughts about their land and growth strategies.

Between 2002 and 2005, KB expanded to 39 markets from 17. Now, in its current 29 markets, where it built 29,000 homes per year at peak, KB thinks it could eventually build 50,000 units. "We need to maximize those opportunities instead of looking to open seven new markets all the time."

Park Square's Gupta admits he "got caught up" in trying to keep pace with national builders in Florida. Now, with 1,300 finished lots, Park Square isn't clamoring for land deals. What the company has learned from this recession, says Gupta, is that "we can grow at our own pace and be successful."

REVENUE WINNERS

RANK	BUILDER	% CHANGE
1	Novare Development	33%
2	HearthStone Homes	15%
3	The Villages of Lake-Sumter	9%
4	LGI Homes	7%
5	Stanley Martin Cos.	2%
6	Epcon Communities Franchising	-2%
7	Home Creations	-4%
7	Wood Partners	-4%
9	The Mungo Cos.	-5%
10	Darling Homes	-6%

REVENUE LOSERS

RANK	BUILDER	% CHANGE
1	MCZ Development	-77%
2	Pacific West Cos.	-63%
3	Scenic Homes	-62%
4	American West Development	-61%
5	Centerline Homes	-59%
6	Park Square Homes	-57%
7	G.L. Homes	-55%
7	Lennar Corp.	-55%
9	KB Home	-53%
10	The Olson Co.	-52%
10	William Ryan Homes	-52%
10	Capital Pacific Holdings	-52%
10	William Lyon Homes	-52%

SALES DRAIN: A spiraling high-rise condo market didn't faze Novare Group, which specializes in that product and led a handful of Builder 100 companies that showed revenue gains last year. Several of the builders that reported jaw-dropping revenue declines have significant exposure in foreclosure-heavy areas such as California, Arizona, and Florida.

UPlink // VISIT WWW.BUILDERONLINE.COM/BUILDER100 TO READ MORE STORIES ABOUT HOW BUILDERS ARE RECOVERING FROM THE RECESSION.


©2009 Uponor, Inc.



At David Weekley Homes, our Purpose is to Enhance People's Lives—our Team, our Customers and our Community.

We have evidence that it works for our team because we have been recognized by Fortune Magazine as one of the 100 Best Places to Work in the Country. We see that it is working for our customers by our positive placement in JD Power surveys. Most importantly, we have enhanced our community through our involvement with the Homebuilding Community Foundation in each of our 17 markets.

WHY DO I GIVE *THROUGH* THE HOMEBUILDING COMMUNITY FOUNDATION?

I have been actively involved with the Homebuilding Community Foundation since it was founded seven years ago and find that it manages and invests my donated funds well and allows me to grant funds to worthy groups over time. I am committed to philanthropy and the use of our resources and talents to serve others.

One of the most rewarding projects completed was helping construct the Small Steps Nurturing Center in Houston, Texas. The center provides important early childhood education to economically at-risk children and families. We believe the homebuilding business has a great ability to create a positive impact on nonprofit organizations in their local area and that's why we give through the Homebuilding Community Foundation.

David Weekley, Chairman
David Weekley Homes

For information on how you can establish a charitable fund to support nonprofit causes important to you, please visit: homebuilding.org or contact Judy Everett at 713-333-2200 or jeverett@ghcf.org.



Join Your Industry Peers and Establish your Fund Today

Foundation Donors—$1 million and over
Fannie Mae Foundation Fund
David & Diane Hill Family Fund
HCF Johnson Family Fund
Kimball Hill Homes Fund
MASCO Fund
James Previti Family Fund
Pugash Family Fund
David Weekley Family Fund
David K. Welles Jr. Family Fund

Cornerstone Donors—$500,000–$999,000
Elizabeth Anton Habitat for Humanity Fund
Drees Family Fund
Hearthstone Charitable Fund
Angela & Ian McCarthy Fund
Strudler Family Fund
Tom and Janet Walker Family Fund

Colonnade Donors—$150,000–$490,000
Bigelow Homes Fund
Bruin Family Fund
Canaday Family Fund
Stanford Carr Development Fund
John Crosland Fund
Fanning Family Fund
Tom & Pat Gipson Fund
Bernard Glieberman Family Fund
J. Roger Glunt Donor Fund
Heimbinder Family Fund
Mori Hosseini Homebuilding Community Foundation Fund
Raymond F. Kennedy Memorial Fund
Dr. Susan and Mark R. Kroll Family Fund
Steven R. & Garna G. Muller Fund
Pro-Build Holdings, Inc. Fund
Therma-Tru Fund
John Wieland Fund
WRK Fund
Webb/Hadley Family Fund

Archway Donors—$25,000–$149,000
Barkham Fund
The Bayport Foundation
Anthony Botte Family Fund
Carver Family Fund
William & Joanne Cellar Family Donor Fund
Ann Danner, Residential Homes of America
Bernard Drueding Donor Fund
Ann & Kevin Dwyer Family Fund
Feldman Family Fund
Tiffany Goodrum Fund
Howard & Joanne Hamamoto Family Fund
Jonathan T. Hill Horizon Fund
Hogan Family Fund
Horne Family Fund
Mori & Forough Hosseini Children's Fund
Katharine & Paul Hylbert Fund
Mazin & Lucy Kalian Family Fund
Robert J. Kinsloe Family Fund
Ted Mahoney Charitable Fund
Dustin Manners Donor Fund
Karen Manners Fund
Thomas Manners Donor Fund
Allan & Tracy Merrill Fund
Bob & Marlene Mitchell Family Fund
Porath Family Fund
George & John Pringle Donor Fund
Antone Raymus Donor Fund
Regis Homes of Northern California Fund
Richardson Family Fund
Roni Hicks & Associates Fund
Nancy & Geoffrey Stack Family Fund
Ron & Charle Thomas Family Donor Fund
Lee Wetherington Donor Fund
Wilshire Good Neighbor Foundation Fund

HCF
HOMEBUILDING
COMMUNITY FOUNDATION
www.homebuilding.org

Builder 100

Pulte Homes

Richard Dugas

CEO



RANK **2**

In January of 2008, Pulte CEO Richard Dugas told analysts that the previous year "will likely be remembered as the most difficult in decades." In January 2009, Dugas had to beef up his language. An "incredible calamity," was how he described the last quarter of 2008.

Despite the challenges, Pulte's closings fell only 24 percent in 2008, far less than the average for the large public builder group, and the company leapfrogged from No. 4 to No. 2 in the top 10 Builder 100 companies. Pulte also amassed a war chest of $1.7 billion by year's end.

The cash will be helpful as the company's sales are expected to decline even more during the first part of 2009. At the end of 2008, Pulte had a backlog of 2,174 homes under contract, a 72 percent decrease from the end of 2007.

After an initial purging of some of the company's less-than-stellar land positions, Dugas, unlike many other CEOs of public home building companies, held tight to the land the company had left, despite criticism from analysts. He insisted it would be difficult and expensive to replace when the market returns.

Pulte plans to work through its land the old-fashioned way, he says, by building houses on it and selling them.

Says Dugas, "Pulte is built for the long term."—*Teresa Burney*

THE 2008 TOP 100 — 1-20

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
1 (1)	**D.R. HORTON** (p) **Donald J. Tomnitz** • 301 Commerce St., Suite 500, Fort Worth, TX 76102 • 817-390-8200 • www.drhorton.com	23,915 -37% ▼	$5,822 -43% ▼	Detached for sale: 18,370 Attached for sale: 5,545 Product mix unavailable	Northeast, South, Midwest, Southwest, West
2 (4)	**PULTE HOMES** (p) **Richard J. Dugas Jr.** • 100 Bloomfield Hills Pkwy., Suite 300, Bloomfield Hills, MI 48304 • 248-647-2750 • www.pulte.com	21,022 -24% ▼	$6,289 -32% ▼	Breakdown unavailable EL, AA, MU	Northeast, South, Midwest, Southwest, West
3 (3)	**CENTEX CORP.** (p) **Timothy R. Eller** • 2728 N. Harwood St., Dallas, TX 75201 • 214-981-5000 • www.centex.com	18,241 -41% ▼	$5,318 -45% ▼	Breakdown unavailable LUX, EL, AA, MU	Northeast, South, Midwest, Southwest, West
4 (2)	**LENNAR CORP.** (p) **Stuart A. Miller** • 700 N.W. 107th Ave., Miami, FL 33172 • 305-559-4000 • www.lennar.com	15,735 -53% ▼	$4,575 -55% ▼	Detached for sale: 12,071 Attached for sale: 2,680 For-sale condos: 984 EL, AA, MU	Northeast, South, Midwest, Southwest, West
5 (5)	**KB HOME** (p) **Jeffrey Mezger** • 10990 Wilshire Blvd., 7th Floor, Los Angeles CA 90024 • 310-231-4000 • www.kbhome.com	12,438 -48% ▼	$3,034 -53% ▼	Breakdown unavailable LUX, EL, AA, MU, VAC	South, Midwest, Southwest, West
6 (6)	**HOVNANIAN ENTERPRISES** (p) **Ara K. Hovnanian** • 110 W. Front St., Red Bank, NJ 07701 • 732-747-7800 • www.khov.com	11,281 -24% ▼	$3,571 -33% ▼	Detached for sale: 9,367 Attached for sale: 1,914 LUX, EL, AA, MU	Northeast, South, Midwest, Southwest, West
7 (7)	**NVR** (p) **Paul Saville** • 11700 Plaza America Dr., Suite 500, Reston, VA 20190 • 703-956-4000 • www.nvrinc.com	10,741 -21% ▼	$3,693 -28% ▼	Breakdown unavailable Product mix unavailable	Northeast, South
8 (9)	**THE RYLAND GROUP** (p) **R. Chad Dreier** • 24025 Park Sorrento, Suite 400, Calabasas, CA 91302 • 818-223-7500 • www.ryland.com	7,352 -29% ▼	$1,976 -35% ▼	Detached for sale: 5,989 Attached for sale: 1,363 Product mix unavailable	Northeast, South, Midwest, Southwest, West
9 (8)	**BEAZER HOMES USA** (p) **Ian J. McCarthy** • 1000 Abernathy Rd., Suite 1200, Atlanta, GA 30328 • 770-829-3700 • www.beazer.com	6,624 -42% ▼	$1,806 n/a	Detached for sale: 6,624 EL, AA, MU, VAC	Northeast, South, Midwest, Southwest, West
10 (12)	**MERITAGE HOMES CORP.** (p) **Steven J. Hilton** • 17851 N. 85th St., Suite 300, Scottsdale, AZ 85255 • 480-515-8100 • www.meritagehomes.com	5,627 -27% ▼	$1,523 -35% ▼	Detached for sale: 5,537 Attached for sale: 90 EL, AA, MU, VAC	South, Southwest, West
11 (14)	**HABITAT FOR HUMANITY INTERNATIONAL** **Jonathan Reckford** • 121 Habitat St., Americus, GA 31709 • 229-924-6935 • www.habitat.org	5,459 -3% ▼	$1,481 n/a	Detached for sale: 5,459 EL	Northeast, South, Midwest, Southwest, West
12 (15)	**TAYLOR MORRISON** (p) **Sheryl Palmer** • 4900 N. Scottsdale Rd., Suite 2000, Scottsdale, AZ 85251 • 480-840-8100 • www.taylormorrison.com	5,421 2% ▲	$1,800 -27% ▼	Detached for sale: 5,230 For-sale condos: 191 LUX, EL, AA, MU, VAC	South, Southwest, West
13 (11)	**STANDARD PACIFIC CORP.** (p) **Ken Campbell** • 26 Technology, Irvine, CA 92618 • 949-789-1600 • www.standardpacific.com	5,025 -38% ▼	$1,718 -49% ▼	Detached for sale: 4,057 Attached for sale: 968 LUX, EL, MU	South, Southwest, West
14 (13)	**TOLL BROTHERS** (p) **Robert Toll** • 250 Gibraltar Rd., Horsham, PA 19044 • 215-938-8000 • www.tollbrothers.com	4,743 -29% ▼	$3,158 -32% ▼	Detached for sale: 2,788 Attached for sale: 1,569 For-sale condos: 386 EL, AA, MU, VAC	Northeast, South, Midwest, Southwest, West
15 (10)	**M.D.C. HOLDINGS** (p) **Larry A. Mizel** • 4350 S. Monaco St., Denver, CO 80237 • 303-773-1100 • www.richmondamerican.com	4,488 -45% ▼	$1,460 -50% ▼	Detached for sale: 4,430 Attached for sale: 58 EL, MU	Northeast, South, Midwest, Southwest, West
16 (18)	**SHEA HOMES** **Bert Selva** • 355 Brea Canyon Rd., Walnut, CA 91789 • 909-594-9500 • www.sheahomes.com	3,225 -25% ▼	$1,400 -35% ▼	Detached for sale: 2,436 Attached for sale: 789 LUX, EL, AA, MU	South, Southwest, West
17 (16)	**DAVID WEEKLEY HOMES** **John Johnson** • 1111 N. Post Oak Rd., Houston, TX 77055 • 713-963-0500 • www.davidweekleyhomes.com	3,213 -30% ▼	$982 -27% ▼	Detached for sale: 3,058 Attached for sale: 155 LUX, EL, MU	South, Southwest
18 (17)	**WEYERHAEUSER REAL ESTATE CO.** (p) **Larry Burrows** • P.O. Box 9777, Federal Way, WA 98063 • 253-924-2345 • www.weyerhaeuser.com/businesses/wreco	3,188 -28% ▼	$1,408 -40% ▼	Detached for sale: 3,005 Attached for sale: 95 For-sale condos: 88 AS, LUX, EL, MU	Northeast, Southwest, West
19 (28)	**THE VILLAGES OF LAKE-SUMTER** **H. Gary Morse** • 1020 Lake Sumter Landing, The Villages, FL 32162 • 352-753-2270 • www.thevillages.com	2,238 -7% ▼	$696 9% ▲	Detached for sale: 2,238 AA	South
20 (24)	**WOODSIDE HOMES** **Chip Nelson** • 39 E. Eagleridge Dr., Suite 102, North Salt Lake, UT 84054 • 801-299-6700 • www.woodside-homes.com	2,072 -23% ▼	$655 -35% ▼	Detached for sale: 1,826 Attached for sale: 246 LUX, EL, AA, MU, VAC	Northeast, South, Midwest Southwest, West

*In millions (p) = Public ❖ = Declined to share revenue numbers AS = Affordable/Subsidized EL = Entry-level
MU = Move-up LUX = Luxury/Custom AA = Active adult VAC = Vacation/Second home

Builder 100

For-Sale Detached Leaders

RANK	COMPANY	U.S. DETACHED CLOSINGS
1	D.R. Horton	18,370
2	Lennar Corp.	12,071
3	Hovnanian Enterprises	9,367
4	Beazer Homes USA	6,624
5	The Ryland Group	5,989
6	Meritage Homes Corp.	5,537
7	Habitat for Humanity International	5,459
8	Taylor Morrison	5,230
9	M.D.C. Holdings	4,430
10	Standard Pacific Corp.	4,057

HERE TODAY: High cancellation rates, triggered by buyers' inability to sell existing houses, diluted builders' sales last year. The top 10 in detached closings in 2008 got to the finish line with fewer than half of the houses the 10 leaders in 2007 closed.

For-Sale Attached Leaders

RANK	COMPANY	U.S. ATTACHED CLOSINGS
1	D.R. Horton	5,545
2	Lennar Corp.	2,680
3	Hovnanian Enterprises	1,914
4	Toll Brothers	1,569
5	The Ryland Group	1,363
6	Standard Pacific Corp.	968
7	Shea Homes	789
8	William Lyon Homes	493
9	McBride & Son Enterprises	419
10	HearthStone Homes	408

A FLIRTING ATTACHMENT: Demand for multifamily housing cooled last year. Lennar closed 45 percent fewer attached homes last year vs. 2007; D.R. Horton closed 30 percent fewer. Several prominent attached builders, such as Pulte and Pasquinelli, did not provide data for 2008 closings.

THE 2008 TOP 100 — 21-40

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
21 (19)	**M/I HOMES** (p) **Robert H. Schottenstein** • 3 Easton Oval, Suite 500, Columbus OH 43219 • 614-418-8000 • www.mihomes.com	2,061 -37% ▼	$608 -40% ▼	Detached for sale: 1,800 Attached for sale: 181 For-sale condos: 80 EL, AA, MU, VAC	Northeast, South, Midwest
22 (22)	**PERRY HOMES** **Robert Perry** • P.O. Box 34306, Houston, TX 77234 713-947-1750 • www.perryhomes.com	1,992 -30% ▼	$569 -21% ▼	Detached for sale: 1,884 Attached for sale: 108 EL, MU	Southwest
23 (29)	**HIGHLAND HOMES** **Rodger Sanders** • 5601 Democracy Dr., Suite 300, Plano, TX 75024 • 972-789-3500 • www.highlandhomes.com	1,944 -18% ▼	$678 -14% ▼	Detached for sale: 1,944 LUX, EL, MU	South
24 (21)	**PASQUINELLI** **Michael J. Pasquinelli** • 6880 N. Frontage Rd., Suite 100, Burr Ridge, IL 60527 • 630-455-5400 • www.pasquinelli.com	1,926 -35% ▼	❖	Breakdown unavailable Product mix unavailable	Northeast, South, Midwest, Southwest
25 (27)	**THE DREES CO.** **David G. Drees** • 211 Grandview Dr., Fort Mitchell, KY 41017 • 859-578-4200 • www.dreeshomes.com	1,762 -31% ▼	$628 -34% ▼	Detached for sale: 1,586 Attached for sale: 176 LUX, EL, AA, MU	Northeast, South, Midwest, Southwest
26 (23)	**MHI** **Frank McGuyer** • 7676 Woodway Dr., Suite 104, Houston, TX 77063 • 713-952-6767 • www.mcguyerhomebuilders.com	1,675 -38% ▼	$420 -33% ▼	Detached for sale: 1,675 LUX, EL, MU	Southwest
27 (30)	**MERCEDES HOMES** **Keith Buescher** • 6905 N. Wickham Rd., Ste. 501, Melbourne, FL 32940 • 321-259-6972 • www.mercedeshomes.com	1,625 -31% ▼	❖	Breakdown unavailable Product mix unavailable	South, Southwest
28 (32)	**MCBRIDE & SON ENTERPRISES** **John F. Eilermann Jr.** • 1 McBride & Son Center Dr., Chesterfield, MO 63005 • 636-537-2000 • www.mcbridehomes.com	1,417 -33% ▼	$397 -37% ▼	Detached for sale: 804 Attached for sale: 419 For-sale condos: 194 LUX, EL, MU	South, Midwest
29 (34)	**MCCAR HOMES** **Steve Roberts** • 4125 Old Milton Pkwy., Alpharetta, GA 30005 • 770-206-9100 • www.mccarhomes.com	1,377 -24% ▼	$362 -26% ▼	Detached for sale: 1,055 Attached for sale: 322 MU	South
30 (64)	**HEARTHSTONE HOMES** **John Smith** • 810 N. 96th St., 3rd Floor, Omaha, NE 68114 • 402-339-0150 • www.omahanewhomes.com	1,290 44% ▲	$180 15% ▲	Detached for sale: 882 Attached for sale: 408 EL, MU	Midwest
31 (36)	**EPCON COMMUNITIES FRANCHISING** **Edward A. Bacome; Philip G. Fankhauser** • 500 Stonehenge Pkwy., Dublin, OH 43017 • 614-761-1010 • www.epconcommunities.com	1,272 -27% ▼	$307 -2% ▼	Detached for sale: 2 For-sale condos: 1,270 AA, VAC	Northeast, South, Midwest, Southwest
32 (31)	**WILLIAM LYON HOMES** **William Lyon** • 4490 Von Karman Ave., Newport Beach, CA 92660 • 949-833-3600 • www.lyonhomes.com	1,260 -42% ▼	$526 -52% ▼	Detached for sale: 767 Attached for sale: 493 LUX, EL, MU	Southwest, West
33 (37)	**ASHTON WOODS USA** **Thomas Krobot** • 1405 Old Alabama Rd., Suite 200, Roswell, GA 30076 • 770-998-9663 • www.ashtonwoodshomes.com	1,202 -29% ▼	$353 -29% ▼	Breakdown unavailable EL, AA, MU	South, Southwest
34 (63)	**NOVARE DEVELOPMENT** **James R. Borders** • 817 W. Peachtree St., Suite 400, Atlanta, GA 30308 • 404-815-1234 • www.novaregroup.com	1,105 -21% ▼	$400 -33% ▼	For-sale condos: 1,105 LUX, EL,	South, Southwest
35 (—)	**ORLEANS HOMEBUILDERS** (p) **Jeffrey Orleans** • 3333 Street Rd., Suite 101, Bensalem, PA 19020 • 215-245-7500 • www.orleanshomes.com	1,075 n/a	$486 n/a	Detached for sale: 815 Attached for sale: 260 LUX, EL, AA, MU	Northeast, South, Midwest
36 (41)	**FIRST TEXAS HOMES** **Randall Van Wolfswinkel** • 2221 E. Lamar Blvd., #960, Arlington, TX 76006 • 817-640-3166 • www.firsttexashomes.com	857 -41% ▼	$199 -45% ▼	Detached for sale: 857 Product mix unavailable	Southwest
37 (54)	**THE CORKY MCMILLIN COS.** **Scott McMillin** • 2750 Womble Rd., Suite 200, San Diego, CA 92186 • 619-477-4117 • www.mcmillin.com	830 -25% ▼	$301 -39% ▼	Detached for sale: 830 EL, MU	Southwest, West
38 (70)	**THE MUNGO COS.** **Steven W. Mungo** • 441 Western Lane, Irmo, SC 29063 • 803-749-9000 • www.mungo.com	807 4% ▲	$143 -5% ▼	Detached for sale: 571 Attached for sale: 236 AS, LUX, EL, MU	South
39 (43)	**BOWEN FAMILY HOMES** **David Bowen** • 6650 Sugarloaf Pkwy., #200, Duluth, GA 30097 • 678-325-4500 • www.bowenfamilyhomes.com	800 -39% ▼	$219 -33% ▼	Detached for sale: 629 Attached for sale: 171 LUX, EL, MU	South, Southwest
40 (42)	**FIELDSTONE RESIDENTIAL COMMUNITIES** **Peter Ochs** • 2 Ada, Irvine, CA 92618 • 949-790-5400 • www.fieldstone-homes.com	792 -42% ▼	$359 -11% ▼	Breakdown unavailable Product mix unavailable	Breakdown unavailable

*In millions (p) = Public ❖ = Declined to share revenue numbers AS = Affordable/Subsidized EL = Entry-level
MU = Move-up LUX = Luxury/Custom AA = Active adult VAC = Vacation/Second home

Builder 100

THE 2008 TOP 100

41-60

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
41 (—)	**BROOKFIELD HOMES CORP.** (p) **Ian G. Cockwell** • 8500 Executive Park Ave., Suite 300, Fairfax, VA 22031 • 703-270-1700 • www.brookfieldhomes.com	750 -11% ▼	$449 -23% ▼	Breakdown unavailable Product mix unavailable	Northeast, West
42 (67)	**CBH HOMES** **Corey Barton** • P.O. Box 369, Meridian, ID 83680 • 208-288-5560 • www.cbhhomes.com	737 -12% ▼	$126 -29% ▼	Detached for sale: 725 Attached for sale: 12 EL, MU	Midwest
43 (46)	**G.L. HOMES** **Itchko Ezratti** • 1600 Sawgrass Corporate Pkwy., Suite 400, Sunrise, FL 33323 • 954-753-1730 • www.glhomes.com	736 -40% ▼	$305 -55% ▼	Detached for sale: 715 Attached for sale: 21 LUX, EL, AA, MU	South
44 (50)	**HOLIDAY BUILDERS** **Kim Shelpman** • 1801 Penn St., Suite 1A, Melbourne, FL 32901 • 321-259-3130 • www.holidaybuilders.com	735 -36% ▼	$130 -45% ▼	Detached for sale: 735 EL, MU	South, Southwest
45 (51)	**IVORY HOMES** **Clark Ivory** • 978 E. Woodoak Lane, Salt Lake City, UT 84043 • 801-747-7000 • www.ivoryhomes.com	719 -36% ▼	$277 -41% ▼	Detached for sale: 518 Attached for sale: 201 LUX, EL, MU, VAC	Southwest
46 (47)	**GEHAN HOMES** **Tim Gehan** • 14901 Quorum Dr., Suite 300, Dallas, TX 75254 • 972-383-4300 • www.gehanhomes.com	716 -41% ▼	$126 -41% ▼	Detached for sale: 716 EL, MU	Southwest
47 (56)	**SCENIC HOMES** **Paul Meng** • 2321 Henry Clower Blvd., Snellville, GA 30078 • 770-985-5084 • www.scenichomes.com	684 -37% ▼	$92 -62% ▼	Detached for sale: 684 EL, MU	South
48 (58)	**HISTORY MAKER HOMES** **Bryan Mitchell** • 9001 Airport Fwy., Suite 400, N. Richland Hills, TX 76180 • 817-507-1230 • www.historymaker.com	651 -36% ▼	$88 -37% ▼	Detached for sale: 651 EL, MU	Southwest
49 (53)	**JOHN WIELAND HOMES & NEIGHBORHOODS** **John Wieland** • 4125 Atlanta Rd., Smyrna, GA 30080 • 817-507-1230 • www.jwhomes.com	644 -42% ▼	$397 -35% ▼	Breakdown unavailable LUX, AA, MU, VAC	South
50 (76)	**WESTPORT HOMES** **John B. Scheumann** • 9210 N. Meridian St., Indianapolis, IN 46260 • 317-844-0433 • www.westport-home.com	629 -13% ▼	$111 -20% ▼	Detached for sale: 629 EL, AA, MU	South, Midwest
51 (78)	**MATTAMY U.S. GROUP** **Steve Parker** • 400 Park Ave. S., Suite 220, Winter Park, FL 32789 • 407-599-9994 • www.mattamyhomes.com	607 -8% ▼	$141 -23% ▼	Detached for sale: 607 EL, MU	South, Midwest, Southwest
52 (61)	**FISCHER HOMES** **Henry Fischer** • 2670 Chancellor Dr., Crestview Hills, KY 41017 • 859-341-4709 • www.fischerhomes.com	603 -36% ▼	$127 -36% ▼	Detached for sale: 369 For-sale condos: 234 LUX, EL, MU	Midwest
53 (—)	**HUNTER COMMUNITIES** **Mark Hunter** • 1806 University Dr., Huntsville, AL 35806 • 256-534-9898 • www.bighouselittleprice.com	602 n/a	$80 n/a	Detached for sale: 602 EL, MU	South
54 (77)	**BALL HOMES** **Ray Ball** • P.O. Box 12950, Lexington, KY 40583 • 859-268-1191 • www.ballhomes.com	583 -16% ▼	$114 -14% ▼	Detached for sale: 583 AS, EL, AA, MU	Midwest
55 (57)	**CAPITAL PACIFIC HOLDINGS** **Hadi Makarechian** • 4100 MacArthur Blvd., Suite 120, Newport Beach, CA 92660 • 949-622-8400 • www.capitalpacifichomes.com	581 -44% ▼	$189 -52% ▼	Detached for sale: 581 Product mix unavailable	Southwest, West
55 (49)	**EASTWOOD HOMES** **Joseph K. Stewart** • 2865 Westport Rd., Charlotte, NC 28208 • 704-399-4663 • www.eastwoodhomes.com	581 -51% ▼	$114 -48% ▼	Detached for sale: 581 EL, MU	South
57 (62)	**WARMINGTON HOMES** **Jim Warmington Jr.** • 3090 Pullman St., Costa Mesa, CA 92626 • 714-557-5511 • www.homesbywarmington.com	567 -39% ▼	$289 -48% ▼	Detached for sale: 371 For-sale condos: 196 EL, MU	West
58 (90)	**DARLING HOMES** **William Darling** • 2500 Legacy Dr., Suite 100, Frisco, TX 75034 • 469-252-2200 • www.darlinghomes.com	523 -13% ▼	$227 -6% ▼	Detached for sale: 523 LUX, EL, AA, MU	Southwest
59 (89)	**RAUSCH COLEMAN HOMES** **John R. Rausch** • 4119 Massard Rd., Fort Smith, AR 72903 • 479-478-9090 • www.rauschcolemanhomes.com	521 -13% ▼	$79 -9% ▼	Detached for sale: 521 EL, MU	South, Midwest, Southwest
60 (73)	**DOMINION HOMES** **William Cornely** • 4900 Tuttle Crossing Blvd., Dublin, OH 43016 • 614-356-5000 • www.dominionhomes.com	516 -32% ▼	$98 -34% ▼	Detached for sale: 485 Attached for sale: 31 EL, AA	Midwest

*In millions (p) = Public ❖ = Declined to share revenue numbers AS = Affordable/Subsidized EL = Entry-level MU = Move-up LUX = Luxury/Custom AA = Active adult VAC = Vacation/Second home

For-Sale Condo Leaders

RANK	COMPANY	U.S. CONDO CLOSINGS
1	Epcon Communities Franchising	1,270
2	Novare Development	1,105
3	Lennar Corp.	984
4	Toll Brothers	386
5	MCZ Development Corp.	376
6	Trammell Crow Residential	366
7	Texas BBL	340
8	Pacific West Cos.	335
9	Wood Partners	308
10	Fischer Homes	234

CONDO CAVE-IN: Epcon Communities and Novare Group moved up several positions from 2007 to lead the industry in condo closings last year, even as nationwide condo sales softened appreciably. In Chicago, for example, unit sales fell 30 percent, according to the Web site www.chicagocondosonline.com.

Public vs. Private

AVERAGE CLOSINGS (UNITS/COMPANY)	
2008 Avg. Public Builder Closings	2008 Avg. Private Builder Closings
8,874	819

CLOSINGS % CHANGE (2008 VS. 2007)	
Publics	Privates
-20.22%	-39.29%

AVERAGE REVENUE/COMPANY	
Publics	Privates
$2.7 billion	$237 million

REVENUE % CHANGE (2008 VS. 2007)	
Publics	Privates
-27.03%	-42.89%

SAGGING TOP LINE: Declines in average closings and revenue for publicly owned builders were noticeably less severe than the 40 percent dropoff in each category for private builders, several of which suspended their construction activities.

Builder 100 CONFERENCE hanley wood

To improve is to change.
To be perfect is to change often.

– Sir Winston Churchill

Thank you to our sponsors

The 23rd annual **Builder 100 Conference** has been generously supported by the following building product manufacturers:

Charter Sponsor

The Inside Advantage™ Whirlpool Corporation

Sponsors

Budget Blinds PRO

bac Builders Auction Company

Carrier Turn to the Experts.

JamesHardie

Knauf Insulation

MASCO

Masonite

PROPANE EXCEPTIONAL ENERGY®

Ply Gem Building Products. Building Success.

Square D by Schneider Electric

Sherwin Williams. Cover the Earth

Time Warner Cable Community Solutions

Therma-Tru Doors The Most Preferred Brand in the Business™

TYPAR® Weather Protection System

uponor

Produced by

Builder

BigBuilder





Builder 100

Mattamy U.S. Group

Steve Parker

PRESIDENT

RANK 51



Mattamy Homes' performance has been no better or worse than any other builder caught up in the market downturn, says Steve Parker, the company's U.S. president.

"I imagine, quite honestly, our performance has been similar to every other builder," he says. "We fought and were challenged with the same issues."

But the company has a few advantages over the typical builder. It's short on land, two to three years' worth at current sales rates, leaving it relatively unburdened by devalued assets. And it's owned by the biggest builder in Canada, which Parker says has the wherewithal and the desire to take advantage of lower land prices to expand its U.S. brand.

Mattamy moved into the U.S. market in 2004, buying operations and land in Minneapolis, Jacksonville, Fla., and Charlotte, N.C. In 2006, it opened a small operation in Phoenix. But its expansion plans slowed as the market fell. Early this year, Mattamy announced it was moving into the Orlando, Fla., market where it had set up its U.S. headquarters, acquiring several parcels at what Parker says are reasonable terms.

"We plan to increase market share, then we will continue to expand into large cities that are close or adjacent to our organizations," Parker adds.—*T.B.*

THE 2008 TOP 100 — 61-79

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
61 (86)	**GEMCRAFT HOMES** **Bill Luther** • 2205 Commerce Rd., Suite A, Forest Hill, MD 21050 • 410-893-8458 • www.gemcrafthomes.com	501 -18% ▼	$156 -22% ▼	Detached for sale: 303 Attached for sale: 198 EL, AA, MU, VAC	Northeast
62 (74)	**ARMADILLO HOMES** **Robert P. Gutierrez** • 14206 Northbrook Dr., San Antonio, TX 78232 • 210-662-0066 • www.armadillohomes.com	495 -33% ▼	$82 -33% ▼	Detached for sale: 495 EL, MU	Southwest
63 (66)	**POLYGON NORTHWEST CO.** **Jeffery D. Gow** • 11624 S. E. 5th St., Suite 200, Bellevue, WA 98005 • 425-586-7700 • www.polygonhomes.com	492 -42% ▼	$149 -41% ▼	Detached for sale: 264 Attached for sale: 228 EL, AA, MU	West
64 (80)	**CASTLE & COOKE** **David H. Murdock** • 10900 Wilshire Blvd., Suite 1600, Los Angeles, CA 90024 • 310-208-3636 • www.castlecooke.net	491 -23% ▼	$238 -39% ▼	Detached for sale: 383 Attached for sale: 106 For-sale condos: 2 LUX, EL, AA, MU, VAC	South, Southwest, West
65 (102)	**DAN RYAN BUILDERS** **Daniel M. Ryan** • 60 Thomas Johnson Dr., Frederick, MD 21702 • 301-696-0200 • www.danryanbuilders.com	487 -3% ▼	$133 -13% ▼	Detached for sale: 326 Attached for sale: 161 EL, AA, MU	Northeast, South
65 (94)	**DESERT VIEW HOMES** **Randal S. O'Leary** • 7910 Gateway Blvd. E., Suite 102, El Paso, TX 79915 • 915-591-6319 • www.desertviewhomes.com	487 -17% ▼	$64 -11% ▼	Detached for sale: 487 EL, VAC	Southwest
67 (79)	**GRAND HOMES** **Stephen H. Brooks** • 15950 N. Dallas Pkwy., Suite 600, Dallas, TX 75248 • 214-750-6528 • www.grandhomes.com	486 -25% ▼	$161 -30% ▼	Detached for sale: 486 EL, MU	Southwest
68 (114)	**LGI HOMES** **Eric Lipar** • 19221 Interstate 45 S., Suite 200, Conroe, TX 77385 • 281-362-8998 • www.lgihomes.com	475 9% ▲	$63 7% ▲	Detached for sale: 475 EL	Southwest
69 (86)	**S&A HOMES** **Robert E. Poole Jr.** • 2121 Old Gatesburg Rd., Suite 200, State College, PA 16803 • 814-231-4780 • www.sahomebuilder.com	449 -27% ▼	$178 -14% ▼	Detached for sale: 263 Attached for sale: 186 AS, EL, MU	Northeast
70 (80)	**FULTON HOMES CORP.** **Ira A. Fulton** • 9140 S. Kyrene Rd., Tempe, AZ 85284 • 480-753-6789 • www.fultonhomes.com	428 -33% ▼	$153 -32% ▼	Detached for sale: 428 LUX, EL, MU	Southwest
71 (100)	**HUBBLE HOMES** **E. Don Hubble** • 701 S. Allen St., Meridian, ID 83642 • 208-433-8800 • www.hubblehomes.com	425 -17% ▼	$75 -26% ▼	Detached for sale: 425 EL, MU	Midwest
72 (97)	**GREAT SOUTHERN HOMES** **Michael Nieri** • 425 Summit Terrace Ct., Bldg. 2, Columbia, SC 29229 • 803-699-4734 • www.gshomes.gs	414 -22% ▼	$63 -27% ▼	Detached for sale: 414 EL, MU	South
73 (91)	**OLE SOUTH PROPERTIES** **John Floyd** • 275 Robert Rose Dr., Murfreesboro, TN 37129 • 615-896-0019 • www.olesouth.com	405 -32% ▼	$63 -34% ▼	Detached for sale: 215 Attached for sale: 190 EL, AA, MU	South
74 (69)	**WILLIAM RYAN HOMES** **William J. Ryan** • 945 N. Plum Grove Rd., Schaumburg, IL 60173 • 847-995-8700 • www.williamryanhomes.com	397 -49% ▼	$103 -52% ▼	Detached for sale: 397 EL, MU	South, Midwest, Southwest, West
75 (95)	**WEST HILLS DEVELOPMENT** **Dennis Sackhoff** • 735 S.W. 158th Ave., Beaverton, OR 97006 • 503-641-7342 • www.arborhomes.com	395 -29% ▼	$135 -30% ▼	Detached for sale: 162 Attached for sale: 124 For-sale condos: 109 EL, MU	West
76 (125)	**HOME CREATIONS** **Jalal Farzaneh** • 2240 N. Broadway, Moore, OK 73160 • 405-692-2222 • www.homecreations.com	389 -1% ▼	$65 -4% ▼	Detached for sale: 389 AS, EL, MU	Southwest
77 (101)	**CASTLEROCK COMMUNITIES** **Greg Yakim** • 7670 Woodway Dr., Suite 300, Houston, Texas 77063 • 713-600-7001 • www.castlerockcommunities.com	386 -24% ▼	$64 -22% ▼	Detached for sale: 386 EL, MU	Southwest
78 (104)	**T.H. PROPERTIES** **Tim Hendricks; Todd Hendricks** • 345 Main St., Harleysville, PA 19438 • 215-513-4270 • www.thproperties.com	385 -23% ▼	$125 -27% ▼	Detached for sale: 180 Attached for sale: 173 For-sale condos: 32 EL, MU	Northeast
79 (48)	**AMERICAN WEST DEVELOPMENT** **Lawrence D. Canarelli** • 250 Pilot Rd., Suite 140, Las Vegas, NV 89119 • 702-736-6434 • www.americanwesthomes.com	383 -68% ▼	$146 -61% ▼	Detached for sale: 383 EL, MU	Southwest, West
79 (91)	**THE ROTTLUND CO.** **David Rotter** • 3065 Centre Pointe Dr., Roseville, MN 55113 • 651-638-0500 • www.rottlundhomes.com	383 -36% ▼	$89 -44% ▼	Detached for sale: 43 Attached for sale: 253 For-sale condos: 87 EL, AA, MU	South, Midwest

*In millions (p) = Public ❖ = Declined to share revenue numbers AS = Affordable/Subsidized EL = Entry-level MU = Move-up LUX = Luxury/Custom AA = Active adult VAC = Vacation/Second home

Builder 100

Fischer Homes

Robert Hawksley

PRESIDENT & COO

RANK 52



Even as Fischer Homes' closings declined in 2008 to around half its 2006 pace, the Kentucky-based builder made bold moves to gain market share by scooping up land being dumped by fleeing large public builders.

The company moved into the Columbus, Ohio, market by buying the assets of Beazer Homes USA and Centex Homes. At the same time, it also gathered market share in Cincinnati and Dayton, Ohio, as other builders folded.

President and COO Bob Hawksley thinks these moves will allow Fischer, which sells to customers in all price points from entry level to active adult, to increase sales this year even as other builders log fewer. "The market has declined, and we are picking up," he says.

The company is in a position to buy low because it is financially conservative, and "we really did not participate in the run-up when people were buying tons of land" at high prices, he says. "We probably did a couple of deals we wish we hadn't done," he says. But, he adds, that's better than regretting half the deals they made.

Hawksley does think Fischer was about six months too slow with staff reductions to meet the falling sales. "We thought it would start back up quicker than it did."—*T.B.*

THE 2008 TOP 100 81-100

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
81 (35)	**MCZ DEVELOPMENT CORP.** **Michael Lerner** • 1555 N. Sheffield Ave., Chicago, IL 60625 • 312-573-1122 • www.mczdevelopment.com	376 -78% ▼	$169 -77% ▼	For-sale condos: 376 EL, MU, VAC	Northeast, South, Midwest, Southwest
82 (85)	**SHUGART ENTERPRISES** **Grover Shugart** • 221 Jonestown Rd., Winston-Salem, NC 27104 • 336-765-9661 • www.sehomes.us	374 -40% ▼	$61 -38% ▼	Detached for sale: 247 Attached for sale: 127 LUX, EL, MU	South
83 (71)	**TRAMMELL CROW RESIDENTIAL** **Charles R. Brindell Jr.** • 2001 Bryan St., Suite 3250, Dallas, TX 75201 • 214-922-8400 • www.tcresidential.com	366 -52% ▼	❖	For-sale condos: 366 Product mix unavailable	Northeast, South, Southwest, West
84 (75)	**THE OLSON CO.** **Stephen E. Olson** • 3010 Old Ranch Pkwy., Suite 100, Seal Beach, CA 90740 • 562-596-4770 • www.olsonhomes.com	354 -52% ▼	$183 -52% ▼	Detached for sale: 101 Attached for sale: 253 EL, AA, MU	West
85 (115)	**ESSEX HOMES SOUTHEAST** **Karl A. Haslinger** • 120 Cromer Rd., Lexington, SC 29073 • 803-356-8301 • www.essexhomes.net	340 -21% ▼	$83 -19% ▼	Detached for sale: 340 EL, MU	South
85 (—)	**TEXAS BBL** **Jerry Wilson** • 9901 E. Valley Ranch Pkwy., Suite 3000, Irving, TX 75063 • 972-869-1808 • www.texasbbl.com	340 n/a	$217 n/a	For-sale condos: 340 AA, VAC	Northeast, South, Southwest
87 (124)	**THE BEECHWOOD ORGANIZATION** **Michael Dubb** • 500 N. Broadway, Suite 240, Jericho, NY 11753 • 516-935-5555 • www.beechwoodhomes.com	335 -15% ▼	$160 -18% ▼	Detached for sale: 1 Attached for sale: 229 For-sale condos: 105 AS, LUX, EL, AA, MU	Northeast
87 (72)	**PACIFIC WEST COS.** **Jim Zaccheo** • 8700 Technology Way, Reno, NV 89521 • 775-851-6600 • www.likenooneelse.com	335 -56% ▼	$64 -63% ▼	For-sale condos: 335 AS, EL	West
89 (—)	**CAVINESS AND CATES COMMUNITIES** **Watson Caviness** • 639 Executive Pl., Fayetteville, NC 28305 • 910-481-0503 • www.cavinessandcates.com	315 n/a	$75 n/a	Detached for sale: 315 EL, MU	South
90 (60)	**WOOD PARTNERS** **Jerry Durkin** • 1110 Northchase Pkwy., Suite 150, Marietta, GA 30067 • 770-951-8989 • www.woodpartners.com	308 -69% ▼	$75 -4% ▼	For-sale condos: 308 LUX, EL, MU, VAC	Northeast, South, Southwest, West
91 (105)	**HILLS COMMUNITIES** **Stephen Guttman** • 4901 Hunt Rd., Cincinnati, OH 45242 • 513-984-0300 • www.hillsinc.com	302 -38% ▼	$132 -21% ▼	Detached for sale: 116 Attached for sale: 30 For-sale condos: 156 AS, LUX, EL	Northeast, South, Midwest
92 (117)	**ELLIOTT HOMES** **Harry C. Elliott III** • 80 Iron Point Circle, Suite 110, Folsom, CA 95630 • 916-984-1300 • www.elliotthomes.com	298 -30% ▼	$149 -38% ▼	Detached for sale: 298 MU	Southwest, West
92 (129)	**THE JONES CO. OF TENNESSEE** **Howard Chilcutt** • 1221 Liberty Pike, Franklin, TN 37067 • 615-771-8006 • www.livejones.com	298 -20% ▼	$100 -28% ▼	Detached for sale: 298 LUX, EL, MU	South, Midwest
94 (109)	**HPH HOMES** **Alan Howard; Clark Parker; Curtis Harper; David Bonamy** • 2236 Cahaba Valley Dr., Suite 100, Birmingham, AL 35242 • 205-980-5350 • www.hphhomes.com	296 -36% ▼	$71 -33% ▼	Detached for sale: 296 EL, AA, MU	South
95 (102)	**CENTERLINE HOMES** **Craig Perry** • 825 Coral Ridge Dr., Coral Springs, FL 33071 • 954-344-8040 • www.centerlinehomes.com	283 -43% ▼	$87 -59% ▼	Detached for sale: 86 Attached for sale: 197 EL, MU	South
96 (153)	**STANLEY MARTIN COS.** **Steven B. Alloy** • 11111 Sunset Hills Rd., Suite 200, Reston, VA 20190 • 703-964-5000 • www.stanleymartin.com	279 0% —	$160 2% ▲	Detached for sale: 172 Attached for sale: 107 MU	Northeast
97 (134)	**SIMMONS HOMES** **Greg Simmons** • 12150 E. 96th St. N., Suite 200, Owasso, OK 74055 • 918-274-0406 • www.simmonshomes.com	278 -19% ▼	$49 -20% ▼	Detached for sale: 278 EL, MU	Southwest
98 (—)	**H & H HOMES** **D. Ralph Huff III** • 2919 Breezewood Ave., Suite 400, Fayetteville, NC 28303 • 910-486-4864 • www.hhhomes.com	276 n/a	$59 n/a	Detached for sale: 276 EL, MU	South
98 (96)	**PARK SQUARE HOMES** **Suresh Gupta** • 5200 Vineland Rd., Suite 200, Orlando, FL 32811 • 407-529-3000 • www.parksquarehomes.com	276 -49% ▼	$80 -57% ▼	Detached for sale: 151 Attached for sale: 125 AS, MU, VAC	South
100 (147)	**KEYSTONE CUSTOM HOMES** **Jeffrey C. Rutt** • 227 Granite Dr., Suite 100, Lancaster, PA 17601 • 717-964-9060 • www.keystonecustomhome.com	272 -6% ▼	$83 -14% ▼	Detached for sale: 240 Attached for sale: 32 LUX, EL, MU	Northeast

*In millions (p) = Public ❖ = Declined to share revenue numbers AS = Affordable/Subsidized EL = Entry-level MU = Move-up LUX = Luxury/Custom AA = Active adult VAC = Vacation/Second home

Builder 100

The Next 100 In Brief

Even in tumultuous times, some builders gain market share. But last year's turmoil was unprecedented, as were the huge leaps that several second-tier companies made into the Builder 100 ranking. These gains, though, must be put into context, as a considerable number of past Next 100 builders declined to provide information about their 2008 closings and revenue.

That being said, a common thread connects many of last year's gainers: their emphasis on affordability and community. Wade Jurney Homes offers products in four North Carolina markets with prices ranging from $90,000 to $160,000. Michael Sivage Homes promotes homes in San Antonio with total monthly mortgage payments as low as $784. And Indiana's Estridge Homes and Jeff Benton Homes in Alabama are among the gainers that train their focus on the lifestyle features of their neighborhoods, such as parks and schools.

Vaulting Ahead

COMPANY	2007 RANK	2008 RANK	JUMP
Wade Jurney Homes	178	110	68
Jeff Benton Homes	199	133	66
Heritage Building Group	180	115	65
MBK Homes	188	128	60
Michael Sivage Homes and Communities	161	106	55
Woodland Homes of Huntsville	194	146	48
The Estridge Cos.	163	120	43
Van Metre Cos.	144	102	42
Pacific Communities Builder	177	137	40
John Mourier Construction	147	108	39

THE 2008 NEXT 100 — 101-120

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
101 (84)	**ICI HOMES** **Mori Hosseini** • 2379 Beville Rd., Daytona Beach, FL 32119 • 386-788-0820 • www.icihomes.com	269 -57% ▼	$131 -57% ▼	Detached for sale: 226 Attached for sale: 20 For-sale condos: 23 LUX, AA, MU, VAC	South
102 (144)	**VAN METRE COS.** **Albert G. Van Metre Jr.** • 5252 Lyngate Ct., Burke, VA 22015 • 703-425-2600 • www.vanmetrecompanies.com	263 -13% ▼	$211 -18% ▼	Detached for sale: 110 Attached for sale: 86 For-sale condos: 67 EL, MU	Northeast
103 (138)	**MILLER AND SMITH** **Alvin D. Hall** • 8401 Greensboro Dr., Suite 300, McLean, VA 22102 • 703-821-2500 • www.millerandsmith.com	259 -19% ▼	$141 -44% ▼	Detached for sale: 94 Attached for sale: 165 LUX, EL, MU, VAC	Northeast
104 (68)	**AVATAR HOLDINGS** (p) **Gerald Kelfer** • 201 Alhambra Circle, Suite 1200, Coral Gables, FL 33134 • 305-442-7000 • www.avatarholdings.com	247 -68% ▼	$112 -62% ▼	Detached for sale: 247 EL, AA	South, Southwest
105 (119)	**MERIDIAN HOMES USA** **Darrell McWaters** • P.O. Box 40, Loganville, GA 30052 • 770-466-1001 • www.meridian.com	232 -43% ▼	$51 -40% ▼	Detached for sale: 232 LUX, EL, AA, MU	South
106 (120)	**LANDMARK VALLEY HOMES** **James W. Bennett** • 500 Savannah, Suite 540, McAllen, TX 78503 • 956-994-9040 • www.landmarkvalleyhomesinc.com	228 -44% ▼	$30 -35% ▼	Detached for sale: 228 EL	Southwest
106 (161)	**MICHAEL SIVAGE HOMES AND COMMUNITIES** **Michael D. Sivage** • 4902 Alameda Blvd., NE, Albuquerque, NM 87113 • 505-998-1800 • www.sivagehomes.com	228 -10% ▼	$32 -3% ▼	Detached for sale: 228 LUX, EL, MU	Southwest
108 (147)	**JOHN MOURIER CONSTRUCTION** **John L. Mourier III** • 1430 Blue Oaks Blvd., #190, Roseville, CA 95747 • 916-782-8879 • www.jmchomes.com	226 -22% ▼	$87 -39% ▼	Detached for sale: 226 LUX, EL, MU	West
109 (141)	**CLASSIC HOMES** **Douglas M. Stimple** • 6385 Corporate Dr., Suite 200, Colorado Springs, CO 80919 • 719-592-9333 • www.classichomes.com	225 -26% ▼	$96 -19% ▼	Detached for sale: 201 Attached for sale: 24 LUX, EL, MU	Southwest
110 (178)	**WADE JURNEY HOMES** **Wade G. Jurney Jr.** • 3300 Battleground Ave., Greensboro, NC 27410 • 336-282-3606 • www.wadejurneyhomes.com	215 5% ▲	$29 4% ▲	Detached for sale: 159 Attached for sale: 56 EL, MU	South
111 (112)	**ARTHUR RUTENBERG HOMES** **David Hanrahan; Alan Weiner** • 13922 58th St. N., Clearwater, FL 33760 • 727-536-5900 • www.arthurrutenberghomes.com	213 -52% ▼	$193 -50% ▼	Detached for sale: 213 LUX, MU, VAC	South
111 (143)	**SUNCOR DEVELOPMENT CO.** **Steve Betts** • 80 E. Rio Salado Pkwy., Suite 410, Tempe, AZ 85281 • 480-317-6800 • www.suncoraz.com	213 -30% ▼	$110 -42% ▼	Detached for sale: 173 For-sale condos: 40 AS, LUX, EL, MU, VAC	Midwest, Southwest
113 (—)	**MCCAFFREY HOMES** **Robert A. McCaffrey** • 7020 N. Van Ness Blvd., Fresno, CA 93711 • 559-256-7000 • www.mccaffreyhomes.com	212 n/a	$75 n/a	Detached for sale: 212 EL, MU	West
114 (118)	**VILLAGE HOMES OF COLORADO** **John Osborn** • 6000 Greenwood Plaza Blvd., Suite 200, Greenwood Village, CO 80111 • 303-795-1976 • www.villagehomes.com	210 -49% ▼	$88 -52% ▼	Detached for sale: 176 Attached for sale: 34 AA, MU, VAC	Southwest
115 (—)	**HARWOOD HOMES** **Herbert Hirsh** • 28720 Canwood St., Suite 208, Agoura Hills, CA 91301 • 818-879-8400 • www.harwoodhomes.com	208 n/a	$90 n/a	Detached for sale: 208 EL, MU	West
115 (180)	**HERITAGE BUILDING GROUP** **Charles C. Sturges** • 2500 York Rd., Jamison, PA 18929 • 215-491-4800 • www.heritagebuildinggroup.com	208 3% ▲	$130 12% ▲	Detached for sale: 122 Attached for sale: 86 LUX, EL, MU	Northeast
117 (—)	**KEYSTONE HOMES** **O. Lamar Crowell Jr.** • 924 Stevens Creek Rd., Augusta, GA 30907 • 706-651-0075 • www.buildkeystone.com	199 n/a	$35 n/a	Detached for sale: 167 Attached for sale: 32 EL, MU	South
117 (93)	**LAKEWOOD HOMES** **Buz Hoffman** • 2700 W. Higgins Rd., Suite 100, Hoffman Estates, IL 60169 • 847-884-8800 • www.lakewoodhomes.com	199 -66% ▼	$68 -54% ▼	Detached for sale: 75 Attached for sale: 124 EL, MU	Midwest
119 (139)	**ASTORIA HOMES** **Tom McCormick** • 10655 Park Run, #200, Las Vegas, NV 89144 • 702-257-1188 • www.astoriahomes.com	198 -38% ▼	$49 -50% ▼	Detached for sale: 198 EL, MU	West
120 (163)	**THE ESTRIDGE COS.** **Paul Estridge** • 14300 Clay Terrace Blvd., Carmel, IN 46032 • 317-582-2456 • www.estridge.com	197 -21% ▼	$85 -17% ▼	Detached for sale: 184 Attached for sale: 13 LUX, AA, MU	Midwest

*In millions (p) = Public ❖ = Declined to share revenue numbers AS = Affordable/Subsidized EL = Entry-level
MU = Move-up LUX = Luxury/Custom AA = Active adult VAC = Vacation/Second home



THE 2008 NEXT 100

121-140

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
121 (137)	**SARES-REGIS GROUP** **Geoffrey Stack; Mark Kroll** • 18802 Bardeen Ave., Irvine, CA 92612 • 949-756-5959 • www.sares-regis.com	194 -41% ▼	$418 -27% ▼	Detached for sale: 48 Attached for sale: 97 For-sale condos: 49 EL, MU	West
122 (55)	**TREND HOMES** **Reed Porter** • 890 W. Elliot Rd., Suite 102, Gilbert, AZ 85233 • 480-821-8000 • www.trendhomes.com	193 -82% ▼	$42 -86% ▼	Detached for sale: 98 Attached for sale: 95 AS, LUX, EL, MU	Southwest
123 (—)	**PCS HOMES** **James Thomasson Jr.** • 1516 Jabez Run, Millersville, MD 21108 • 410-697-2000 • www.pcshomes.com	186 n/a	$46 n/a	Detached for sale: 9 Attached for sale: 177 EL, AA, MU	Northeast, South
124 (157)	**WATHEN-CASTANOS-MAZMANIAN** **Robert A. Mazmanian** • 7259 N. First St., Suite 101, Fresno, CA 93720 • 559-432-8181 • www.wathen-castanos.com	184 -32% ▼	$47 -47% ▼	Detached for sale: 184 EL, MU	West
125 (153)	**MEDALLION HOMES** **William M. Worth** • 6929 Camp Bullis, San Antonio, TX 78256 • 210-494-2555 • www.medallionhomes.com	183 -34% ▼	$43 -34% ▼	Detached for sale: 183 EL, MU	Southwest
126 (156)	**T.W. LEWIS CO.** **Thomas W. Lewis** • 850 W. Elliot Rd., Suite 101, Tempe, AZ 85284 • 480-820-0807 • www.twlewis.com	172 -37% ▼	$109 -47% ▼	Detached for sale: 172 MU	Southwest
127 (—)	**GABLES HOLDING CORP.** **Nelson Famadas** • 252 Ponce de Leon, Suite 7, Hato Rey, Puerto Rico 00917 • 787-474-5454 • www.gablesholding.com	170 n/a	$31 n/a	Detached for sale: 115 For-sale condos: 55 AS, EL	South
128 (188)	**MBK HOMES** **Stefan Markowitz** • 175 Technology Dr., Irvine, CA 92618 • 949-789-8300 • www.mbkhomes.com	169 -11% ▼	$108 1% ▲	Detached for sale: 110 Attached for sale: 59 EL, MU	West
128 (107)	**PAGEANTRY HOMES** **Don G. White** • 1333 N. Buffalo Dr., Suite 220, Las Vegas, NV 89128 • 702-365-8588 • www.pageantryhomes.com	169 -65% ▼	$47 -66% ▼	Detached for sale: 103 Attached for sale: 54 For-sale condos: 12 EL, MU	Southwest, West
130 (168)	**WESTIN HOMES AND PROPERTIES** **David Dorn** • One Sugar Creek Center, Suite 600, Sugar Land, TX 77478 • 281-240-1551 • www.westin-homes.com	167 -28% ▼	$45 -24% ▼	Detached for sale: 167 EL, MU	Southwest
131 (—)	**BLOOMFIELD HOMES** **Don Dykstra** • 807 Potomac Pl., Southlake, TX 76092 • 817-424-2370 • www.bloomfieldhomes.net	164 n/a	$31 n/a	Detached for sale: 164 EL, MU	Southwest
131 (136)	**VILLAGE COMMUNITIES REAL ESTATE** **Rowland S. Giller III** • 470 Olde Worthington Rd., Westerville, OH 43082 • 614-540-2400 • www.villagecommunities.com	164 -51% ▼	$27 -51% ▼	For-sale condos: 164 EL	Midwest
133 (199)	**JEFF BENTON HOMES** **Jeff M. Benton** • 2404 Commerce Ct., Huntsville, AL 35801 • 256-430-4301 • www.jeffbentonhomes.com	161 4% ▲	$53 4% ▲	Detached for sale: 161 LUX, MU	South
133 (—)	**MARRANO/MARC-EQUITY CORP.** **Patrick A. Marrano** • 2730 Transit Rd., West Seneca, NY 14224 • 716-675-1200 • www.marrano.com	161 n/a	$66 n/a	Detached for sale: 161 LUX, EL, AA, MU	Northeast, South
135 (—)	**NEAL COMMUNITIES OF SOUTHWEST FLORIDA** **Patrick K. Neal** • 8210 Lakewood Ranch Blvd., Bradenton, FL 34202 • 941-328-1111 • www.nealcommunities.com	159 n/a	$66 n/a	Detached for sale: 131 Attached for sale: 20 For-sale condos: 8 AS, LUX, AA, MU, VAC	South
136 (132)	**MJC COS.** **Michael A. Chirco** • 46600 Romeo Plank Rd., Suite 5, Macomb, MI 48044 • 586-263-1203 • www.mjccompanies.com	157 -56% ▼	$30 -54% ▼	Detached for sale: 21 For-sale condos: 134 Other: 2 LUX, EL, MU	Midwest
137 (177)	**PACIFIC COMMUNITIES BUILDER** **Nelson Chung** • 1000 Dove St., Newport Beach, CA 92660 • 949-660-8988 • www.pacificcommunities.com	156 -24% ▼	$68 -51% ▼	Detached for sale: 156 LUX, EL, AA, MU	West
137 (—)	**SHUMAKER HOMES** **Dan Shumaker** • 5847 Shakespeare Rd., Columbia, SC 29223 • 803-786-9780 • www.shumakerhomes.com	156 n/a	$35 n/a	Detached for sale: 156 EL, MU	South
139 (83)	**MAGELLAN DEVELOPMENT GROUP** **Joel Carlins; James Loewenberg** • 225 N. Columbus Dr., Suite 100, Chicago, IL 60601 • 312-642-8869 • www.magellandevelopment.com	152 -76% ▼	$399 -23% ▼	For-sale condos: 152 LUX, MU, VAC	Midwest
140 (175)	**PREMIER COMMUNITIES** **Ryan McGowan** • 310 29th St. N.E., Puyallup, WA 98372 • 253-286-3511 • www.homebuyingmadeeasy.com	150 -30% ▼	$51 -9% ▼	Detached for sale: 150 EL, MU	West

*In millions (p) = Public ❖ = Declined to share revenue numbers AS = Affordable/Subsidized EL = Entry-level MU = Move-up LUX = Luxury/Custom AA = Active adult VAC = Vacation/Second home

Unit-Growth Leaders

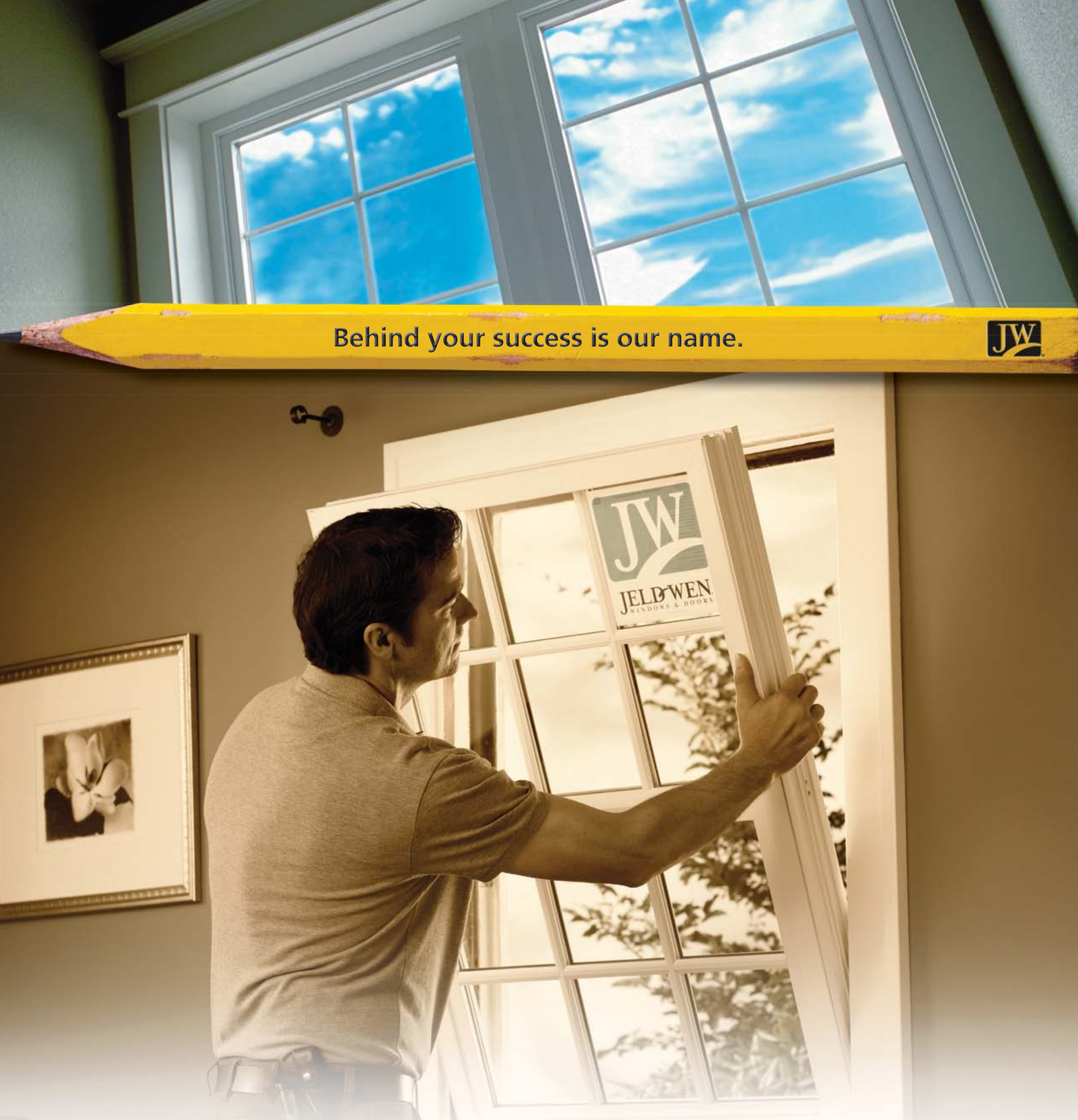
RANK	COMPANY	PERCENT INCREASE
1	Wade Jurney Homes	5%
2	Jeff Benton Homes	4%
3	Heritage Building Group	3%
4	Michael Sivage Homes and Communities	-10%
5	MBK Homes	-11%

STILL AHEAD: Only three Next 100 companies reported increases in closings last year, but the relatively small declines of Michael Sivage Homes and MBK Homes earns them a place on the leader board, as well.

Revenue-Growth Leaders

RANK	COMPANY	PERCENT INCREASE
1	Heritage Building Group	12%
2	Wade Jurney Homes	4%
3	Jeff Benton Homes	4%
4	MBK Homes	1%
5	Ennis Homes	-1%

COMMUNITY BUILDER: Jamison, Pa.–based Heritage Building Group, which promotes itself as a "hometown builder" that welcomes buyer input during the construction process, was the only company among the Next 100 to register a double-digit revenue gain.


Behind your success is our name.
JW
JELD-WEN
WINDOWS & DOORS

Builder 100

Polygon Northwest Co.

Jeffery D. Gow

CEO



RANK 63

THE HOUSING SLOWDOWN took a while to get to the Pacific Northwest but by the time it arrived in the Seattle and Portland, Ore., markets, Polygon Northwest was ready.

"We had a pretty good idea that this wasn't going to end in a happy way, so we began planning for this in 2004," says CEO Jeffery D. Gow. "We stopped buying land and became more careful with starts."

That move put the company in a better position to weather its decline in closings from 849 in 2007 to 492 this year. The company is also building 450 market-rate apartments this year. Gow estimates that Polygon will close 600 homes in 2009.

Just by surviving, the company is gaining market share. "We have less competition today than we did three years ago, so a lot of our volume is coming via increased market share," he says.

During the downturn, Gow says the company focused on the same basics it has from the beginning: increasing quality and customer satisfaction with the goal of capturing repeat business and referrals. Now, 50 percent of its sales are referrals.

"It's something that all of our staff has worked very hard on for a very long period of time, and it has paid dividends for us," says Gow.—*T.B.*

THE 2008 NEXT 100 — 141-159

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
141 (—)	**C.F. JORDAN** **Darren Woody** • 7700 C.F. Jordan Dr., El Paso, TX 79912 • 915-877-3333 • www.cfjordan.com	147 n/a	$337 n/a	Breakdown unavailable LUX	Southwest
141 (65)	**COMSTOCK HOMEBUILDING COS.** (p) **Chris Clemente** • 11465 Sunset Hills Rd., Suite 500, Reston, VA 20190 • 703-883-1700 • www.comstockhomebuilding.com	147 -83% ▼	$47 -82% ▼	Detached for sale: 68 Attached for sale: 23 For-sale condos: 53 Other: 3 EL, MU	Northeast, South
143 (131)	**LEGEND HOMES** **Jim Chapman** • 12755 S.W. 69th Ave., Portland, OR 97223 • 503-620-8080 • www.legendhomes.com	142 -61% ▼	❖	Detached for sale: 113 For-sale condos: 29 EL	Southwest
143 (145)	**LOMBARDO COS.** **Anthony Lombardo** • 6303 26 Mile Rd., Washington, MI 48307 • 586-781-7900 • www.lombardocompanies.com	142 -53% ▼	$34 -47% ▼	Detached for sale: 95 For-sale condos: 47 EL, MU	Midwest
143 (171)	**TRATON HOMES** **Dale Bercher** • 720 Kennesaw Ave., Marietta, GA 30060 • 770-427-9064 • www.tratonhomes.com	142 -37% ▼	$54 -43% ▼	Detached for sale: 120 Attached for sale: 22 Product mix unavailable	South
146 (—)	**PROVIDENCE HOMES** **William J. Cellar** • 4901 Belfort Rd., Suite 140, Jacksonville, FL 32256 • 904-262-9898 • www.myprovidencehome.com	141 n/a	$39 n/a	Detached for sale: 141 LUX, EL, MU	South
146 (194)	**WOODLAND HOMES OF HUNTSVILLE** **Michael W. Friday** • 7545-A Hwy. 72 W., Madison, AL 35758 • 256-837-0999 • www.woodlandhomes.com	141 -18% ▼	$43 -27% ▼	Detached for sale: 93 Attached for sale: 48 Product mix unavailable	South
148 (161)	**HARKINS BUILDERS** **Richard Lombardo** • 2201 Warwick Way, Marriottsville, MD 21104 • 410-750-2600 • www.harkinsbuilders.com	140 -45% ▼	$249 -3% ▼	Attached for sale: 140 AS, EL, AA	Northeast
149 (—)	**COMPASS POINTE HOMES** **Bobby Baillio** • 9950 Cypresswood Dr., Suite 375, Houston, TX 77070 • 281-894-5000 • www.compasspointehomes.com	139 n/a	$25 n/a	Detached for sale: 139 EL, MU	Southwest
149 (184)	**MCBEE HOMES** **Mearl McBee** • 1450 N. Jim Wright Frwy., White Settlement, TX 76108 • 817-626-2600 • www.mcbeehomes.com	139 -29% ▼	$30 -25% ▼	Detached for sale: 139 LUX, EL, MU	Southwest
151 (172)	**ENNIS HOMES** **Brian Ennis** • 643 N. Westwood St., Porterville, CA 93257 • 559-781-8888 • www.ennishomes.com	138 -38% ▼	$66 -1% ▼	Detached for sale: 138 AS, EL, MU	West
151 (166)	**GREENVALE CONSTRUCTION** **Mark Thomason** • 1418 Kensington Square Ct., Murfreesboro, TN 37130 • 615-907-2000 • www.greenvalehomes.net	138 -42% ▼	$24 -40% ▼	Detached for sale: 138 MU	South
153 (—)	**MEETING STREET HOMES & COMMUNITIES** **Joseph T. Roy IV** • 1930 Abbott St., Suite 400, Charlotte, NC 28031 • 704-714-3070 • www.meetingstreet.net	135 n/a	$27 n/a	Detached for sale: 9 Attached for sale: 126 EL, MU	South
153 (164)	**PEACHTREE RESIDENTIAL PROPERTIES** **David J. Borreson** • 7380 McGinnis Ferry Rd., Suwanee, GA 30024 • 770-622-2522 • www.peachtreeresidential.com	135 -44% ▼	$70 -44% ▼	Detached for sale: 112 Attached for sale: 23 LUX, MU	South
153 (—)	**TEMPEST HOMES** **John B. Scheumann** • 10 N. 7th St., Lafayette, IN 47902 • 765-742-0300 • www.tempesthomes.com	135 n/a	$20 n/a	Detached for sale: 135 AS, LUX, EL, AA, MU	Midwest
156 (—)	**BOZZUTO & ASSOCIATES** **Thomas S. Bozzuto** • 7850 Walker Dr., Suite 400, Greenbelt, MD 20770 • 301-220-0100 • www.bozzuto.com	131 n/a	$526 n/a	Detached for sale: 1 Attached for sale: 79 For-sale condos: 51 EL, MU	Northeast
157 (—)	**BRASELTON HOMES** **Fred Braselton** • 5337 Yorktown, #10-D, Corpus Christi, TX 78413 • 361-991-4710 • www.braseltonhomes.com	130 n/a	$25 n/a	Detached for sale: 130 LUX, EL, MU	Southwest
158 (186)	**EAGLE CONSTRUCTION OF VIRGINIA** **Bryan E. Kornblau** • 4191 Innslake Dr., Suite 100, Glen Allen, VA 23060 • 804-741-4663 • www.eagleofva.com	128 -34% ▼	$51 -36% ▼	Detached for sale: 79 Attached for sale: 49 AA, MU	Northeast
159 (—)	**C AND C BUILDERS OF COLUMBIA** **Cecil Brazell** • 500 N. Brickyard Rd., Columbia, SC 29223 • 803-736-5008 • www.candcbuilders.com	126 n/a	❖	Detached for sale: 126 LUX, EL, MU	South
159 (—)	**SOUTHERN HOMES** **Adrian Kornman** • 2053 Gause Blvd. E., Suite 200, Slidell, LA 70461 • 985-643-0123 • www.southernhomes.com	126 n/a	$26 n/a	Detached for sale: 106 Attached for sale: 20 EL, MU	South

*In millions (p) = Public ❖ = Declined to share revenue numbers AS = Affordable/Subsidized EL = Entry-level MU = Move-up LUX = Luxury/Custom AA = Active adult VAC = Vacation/Second home

Builder 100

The Olson Co.

Stephen E. Olson

CHAIRMAN AND CEO

RANK 84



THERE ISN'T MUCH THAT'S good about being a home builder in California these days. But if that happens to be your lot, the best kind to be would be an urban in-fill specialist that builds next to transit stops the way The Olson Co. does.

"The good news is, we're selling," says Stephen E. Olson, the company's chairman and CEO. "The bad news is that the foreclosures have happened in the urban market as well, so we have been price affected."

Like everyone else, Olson is focused on generating cash, reducing debt, and cutting the size of his company by 50 percent from peak. At the same time, he is reworking home plans to lower costs, so the houses he does sell at the new lower prices will produce a profit.

"I think we're in a period when people cannot pay for what I would call frills," says Olson. "They can pay for shelter, though, and I think it's going to be that way for some period of time."

In the meantime, Olson, who forged good relationships with local governments while in the process of redeveloping urban locations, tapped into those connections to keep his company busy. He's found work constructing housing for both universities and municipalities.—*T.B.*

THE 2008 NEXT 100 — 161-180

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
161 (59)	**MAIN STREET HOMES** **W. Vernon McClure Jr.** • 15871 City View Dr., Suite 100, Midlothian, VA 23113 • 804-794-3138 • www.mainstreethomes.info	120 -88% ▼	$49 -63% ▼	Detached for sale: 116 Other: 4 EL, MU	Northeast
162 (—)	**ARMSTRONG HOMES** **F. Chris Armstrong** • 1415 SW 17th St., Ocala, FL 34471 • 352-624-0120 • www.armstronghomes.net	119 n/a	$30 n/a	Detached for sale: 117 Other: 2 AS, LUX, EL, AA, MU, VAC	South
163 (155)	**HAMLET HOMES** **Michael Brodsky** • 308 E. 4500 South, Suite 200, Murray, UT 84107 • 801-506-9600 • www.hamlethomes.com	116 -58% ▼	$31 -64% ▼	Detached for sale: 26 Attached for sale: 68 For-sale condos: 22 AS, EL, MU, VAC	Southwest
164 (—)	**KENDALL HOMES** **David D. Wickens** • 427 Mason Park Blvd., Katy, TX 77450 • 281-398-4010 • www.kendallhomes.net	115 n/a	$20 n/a	Detached for sale: 95 Attached for sale: 20 EL, MU	Southwest
165 (—)	**UNMISTAKABLY PREMIER HOMES** **Stephen Kovack** • 1392 High St., Suite 205, Wadsworth, OH 44281 • 330-334-0014 • www.buildpremier.com	112 n/a	$21 n/a	Detached for sale: 112 EL, MU	Midwest
166 (167)	**PATRICK MALLOY COMMUNITIES** **Patrick Malloy** • 851 Cedar St., Carrollton, GA 30117 770-832-6376 • www.pmcommunities.com	109 -54% ▼	$22 -61% ▼	Detached for sale: 56 Attached for sale: 53 LUX, EL, AA, MU	South
166 (151)	**THORNTON CONSTRUCTION CO.** **William L. Thornton III** • 3570 Grandview Pkwy., Suite 100, Birmingham, AL 35243 • 205-870-5498 • www.thorntonhomes.net	109 -61% ▼	$25 -59% ▼	Detached for sale: 106 Attached for sale: 3 LUX, EL, MU	South
168 (—)	**THE BUILDERS GROUP OF WEST ALABAMA** **Thomas L. Corder** • 3801 Mill Creek Lane, Tuscaloosa, AL 35401 • 205-342-3940 • www.thebuildersgroup.info	107 n/a	$21 n/a	Detached for sale: 107 AS, LUX, EL, MU	South
169 (198)	**GRAYHAWK HOMES** **David Erickson** • 4809 Miller Rd., Columbus, GA 31909 • 706-568-3779 • www.grayhawkhomesinc.com	106 -32% ▼	$21 -28% ▼	Detached for sale: 106 EL, MU	South
170 (182)	**SEAGATE HOMES** **Robert Gazzoli** • 185 Cypress Point Pkwy., Palm Coast, FL 32164 • 386-445-9009 • www.seagatehomes.com	105 -47% ▼	$21 -53% ▼	Detached for sale: 105 AS, LUX, EL, AA, MU, VAC	South
171 (—)	**MINKS CUSTOM HOMES** **Ben Minks** • 14015 Sunfish Lake Blvd. N.W., Suite 400, Ramsey, MN 55303 • 763-427-3090 • www.minkscustomhomes.com	104 n/a	$33 n/a	Detached for sale: 104 EL, MU	Midwest
172 (—)	**AVTEC HOMES** **Larry Sietsma** • 1663 Georgia St. N.E., Suite 600, Palm Bay, FL 32907 • 321-674-9395 • www.avtechomes.com	102 n/a	$14 n/a	Detached for sale: 102 EL	South
172 (—)	**CACHET HOMES** **Matthew Cody** • 17200 N. Perimeter Dr., Suite 200, Scottsdale, AZ 85255 • 480-556-7000 • www.cachethomes.net	102 n/a	$51 n/a	Detached for sale: 26 Attached for sale: 76 LUX, MU	Southwest
172 (196)	**SUMEER HOMES** **Suresh Shridharani** • 2404 Texas Dr., Suite 103, Irving, TX 75062 • 972-659-0655 • www.sumeerhome.com	102 -37% ▼	$25 -34% ▼	Detached for sale: 102 Product mix unavailable	Southwest
175 (192)	**ENCE HOMES** **Troy Ence; Tracy Ence** • 619 S. Bluff St., Tower 2, St. George, UT 84770 • 435-628-0936 • www.encehomes.com	95 -46% ▼	$31 -48% ▼	Detached for sale: 95 EL, AA, MU, VAC	Southwest, West
176 (—)	**RIVENDALE HOMES** **Chris Peterson** • 1160 N. Dutton Ave., Suite 240, Santa Rosa, CA 95405 • 707-569-3040 • www.rivendalehomes.com	94 n/a	$42 n/a	Detached for sale: 81 Attached for sale: 13 EL, AA, MU	West
176 (—)	**WYNN CONSTRUCTION** **Bill Wynn** • 2550 Capitol Dr., Suite 105, Creedmoor, NC 27522 • 919-528-1347 • www.wynn-homes.com	94 n/a	$14 n/a	Detached for sale: 92 Attached for sale: 2 EL, MU	South
178 (200)	**EYA** **Robert D. Youngentob** • 4800 Hampden Lane, Suite 300, Bethesda, MD 20814 • 301-634-8600 • www.eya.com	93 -39% ▼	$61 -52% ▼	Attached for sale: 93 LUX, EL, MU	Northeast
179 (130)	**HHHUNT CORP.** **David E. Reemsnyder II** • 800 Hethwood Blvd., Blacksburg, VA 24060 • 540-552-3515 • www.hhhunt.com	90 -76% ▼	$118 -46% ▼	Detached for sale: 73 Attached for sale: 17 Product mix unavailable	Northeast, South
180 (128)	**ABD DEVELOPMENT** **David Kohn** • 7380 W. Sand Lake Rd., Suite 420, Orlando, FL 32819 • 407-370-6400 • www.abddevelopment.com	88 -77% ▼	$49 -64% ▼	Detached for sale: 68 Attached for sale: 18 For-sale condos: 2 LUX, MU	South

*In millions (p) = Public ❖ = Declined to share revenue numbers AS = Affordable/Subsidized EL = Entry-level MU = Move-up LUX = Luxury/Custom AA = Active adult VAC = Vacation/Second home



This will forever change the way homes are built.

Introducing Verve™ Living Systems. More than a lighting control system, a welcomed new era in comfort, satisfaction and home control.

Unlike other systems, Verve™ uses energy-harvesting and radio frequency technology in such a way that you no longer have to run wires from switches to lighting fixtures. Verve™ switches are self powered and completely wireless.

Imagine the possibilities...a simpler way to build new homes...and the opportunity to offer unprecedented lighting control and energy savings benefits. We believe Verve™ Living Systems will revolutionize the way you build homes and satisfy your home buyers.

To find out more click **www.vervelivingsystems.com** or call 877-874-8774

verve™
living systems

Builder 100

THE 2008 NEXT 100

181-200

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 U.S. CLOSINGS (vs. '07 closings)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT IN THE UNITED STATES (in units)	REGION
181 (—)	**LAZARUS-SHOUSE COMMUNITIES** **Brian Lazarus** • 3101 S. Hwy. 14, Suite 2, Greenville, SC 29615 • 864-675-6071 • www.lshomes.com	87 n/a	$21 n/a	Detached for sale: 87 EL, AA, MU	South
181 (—)	**SCHIELER & RASSI QUALITY BUILDERS** **Bob Schieler** • 124 First Ave., Deer Creek, IL 61733 • 309-447-6291 • www.homewayhomes.com	87 n/a	$23 n/a	Detached for sale: 87 EL, AA	Midwest
183 (—)	**CASSIDY HOMES** **Steven L. Cassidy** • 250 Avenue K S.W., Suite 100, Winter Haven, FL 33880 • 863-324-3698 • www.cassidyhomes.com	86 n/a	$20 n/a	Detached for sale: 53 Attached for sale: 33 EL, MU	South
184 (—)	**IMAGINE HOMES** **James Bastoni** • 11467 Huebner Rd., San Antonio, TX 78230 • 210-877-5900 • www.imaginehomessa.com	85 n/a	$16 n/a	Detached for sale: 85 EL, MU	Southwest
185 (189)	**LOWDER NEW HOMES** **Alan S. Farrior** • 5272 Hampstead High St., Suite 200, Montgomery, AL 36116 • 334-270-6522 • www.lowdernewhomes.com	82 -56% ▼	$22 -56% ▼	Detached for sale: 82 LUX, EL, MU, VAC	South
186 (—)	**KELLER HOMES** **David Keller** • 536 Chapel Hills Dr., Colorado Springs, CO 80920 • 719-528-6977 • www.kellerhomes.com	80 n/a	$39 n/a	Detached for sale: 80 LUX, MU	Southwest
187 (108)	**KALIAN COS.** **Mazin Kalian** • 225 Hwy. 35 N., Red Bank, NJ 07701 • 732-741-0054 • www.kalian.com	77 -84% ▼	$14 -83% ▼	Detached for sale: 54 For-sale condos: 23 AA, MU, VAC	Northeast, South
188 (—)	**CREATIVE HOMES** **Joe Swan** • 4225 85th St., Lubbock, TX 79423 • 806-745-8906 • www.stopdreamingstartbuilding.com	75 n/a	$10 n/a	Detached for sale: 75 LUX, EL, MU	Southwest
189 (133)	**ANDERSON HOMES** **Larry Anderson** • P.O. Box 1237, Lodi, CA 95241 • 209-367-7600 • www.anderson-homes.com	73 -80% ▼	$40 -38% ▼	Detached for sale: 73 MU	West
190 (—)	**ARTISTIC HOMES** **Jerry L. Wade** • 4420 Tower Rd. S.W., Suite A, Albuquerque, NM 87121 • 505-247-8400 • www.artistichomes.com	71 n/a	❖	Detached for sale: 71 EL, MU	Southwest
190 (152)	**HOMES BY KENNEDY** **Robert Trautman** • 600 W. Hillsboro Blvd., Deerfield Beach, FL 33441 • 954-426-9999 • www.homesbykennedy.com	71 -75% ▼	$12 -81% ▼	Detached for sale: 49 Attached for sale: 22 EL, VAC	South
192 (—)	**HECKMAN HOMES** **Merle Heckman** • 1415 Town Square Blvd., Roanoke, VA 24012 • 540-563-5020 • www.davidjamescustomhomes.com	69 n/a	$16 n/a	Detached for sale: 69 Product mix unavailable	Northeast
193 (—)	**HEARTSTONE DEVELOPMENT** **Clay Bonny** • P.O. Box 372, East Hanover, NJ 07936 • 201-400-6225	68 n/a	$26 n/a	Attached for sale: 68 EL, MU	Northeast
194 (—)	**PETROS HOMES** **Sam Petros** • 10474 Broad View Rd., Broadview Heights, OH 44147 • 440-546-9000 • www.petroshomes.com	66 n/a	$24 n/a	Detached for sale: 60 Attached for sale: 6 LUX, EL, AA, MU	Midwest
195 (—)	**RYDER HOMES** **Jay Ryder** • 1425 Treat Blvd., Walnut Creek, CA 94597 • 925-937-4373 • www.ryderhomes.com	65 n/a	$42 n/a	Detached for sale: 65 AS, LUX, EL, MU	West
196 (—)	**SOUTHEASTERN BUILDING CORP.** **David Luckey** • 201 Molly Walton Dr., Hendersonville, TN 37075 • 615-824-2500 • www.southeasternbuilding.net	63 n/a	$15 n/a	Detached for sale: 50 For-sale condos: 13 AS, AA, MU	South
197 (—)	**GALLAGHER & HENRY** **Robert E. Gallagher Jr.** • 6280 Joliet Rd., Countryside, IL 60525 • 708-482-8900 • www.gallagherandhenry.com	42 n/a	$27 n/a	Detached for sale: 37 Attached for sale: 4 For-sale condos: 1 EL, MU	Midwest
198 (—)	**TITAN HOMES** **Rick Cronin** • 7417 Mexico Rd., Suite 102, St. Peters, MO 63376 • 636-970-7789 • www.titanhomesinc.com	38 n/a	$10 n/a	Detached for sale: 38 EL, AA, MU	Midwest
199 (—)	**LECESSE DEVELOPMENT CORP.** **Salvador F. Leccese** • 650 S. Northlake Blvd., Suite 450, Altamonte Springs, FL 32701 • 407-645-5575 • www.lecesse.com	30 n/a	$283 n/a	For-sale condos: 30 LUX, EL, AA, MU	Northeast, South, Midwest
200 (—)	**JOHNSON HOMES** **Robert R. Johnson** • 611 E. Academy St., Cherryville, NC 28201 • 704-445-0002 • www.johnsonhomesusa.com	25 n/a	$4 n/a	Detached for sale: 25 LUX, EL, MU	South

*In millions (p) = Public MU = Move-up ❖ = Declined to share revenue numbers LUX = Luxury/Custom AS = Affordable/Subsidized AA = Active adult EL = Entry-level VAC = Vacation/Second home

Positive Results

RANK	COMPANY	POSITIVE CLOSINGS (vs. '07)	POSITIVE REVENUE (vs. '07)
12	Taylor Morrison	5,421 +2%	
19	The Villages of Lake-Sumter		$696 +9%
30	HearthStone Homes	1,290 +44%	$180 +15%
38	The Mungo Cos.	807 +4%	
68	LGI Homes	475 +9%	$63 +7%
96	Stanley Martin Cos.	279 0%	$160 +2%
110	Wade Jurney Homes	215 +5%	$29 +4%
115	Heritage Building Group	208 +3%	$130 +12%
128	MBK Homes		108 +1%
133	Jeff Benton Homes	161 +4%	$53 +4%

BUCKING THE ODDS: The severity of the housing collapse needs no further evidence than the fact that only 10 of the companies in the 2008 Builder 100 and Next 100 showed positive percentage gains in either closings or revenue, and only five of these showed gains in both. LGI Homes in Texas, which markets to renters as potential home buyers, is the only builder among the top 200 that has reported closings and revenue growth in each of the past three years. Taylor Morrison's closings inched up despite that company's exposure in dicey markets such as Phoenix, Sacramento, Calif., and Orlando, Fla.

Builder 100

THE 2008 ALPHABETICAL LISTING

COMPANY	RANK	WEB SITE
ABD DEVELOPMENT	180	www.abddevelopment.com
AMERICAN WEST DEVELOPMENT	79	www.americanwesthomes.com
ANDERSON HOMES	189	www.anderson-homes.com
ARMADILLO HOMES	62	www.armadillohomes.com
ARMSTRONG HOMES	162	www.armstronghomes.net
ARTHUR RUTENBERG HOMES	111	www.arthurrutenberghomes.com
ARTISTIC HOMES	190	www.artistichomes.com
ASHTON WOODS USA	33	www.ashtonwoodshomes.com
ASTORIA HOMES	119	www.astoriahomes.com
AVATAR HOLDINGS	104	www.avatarholdings.com
AVTEC HOMES	172	www.avtechomes.com
BALL HOMES	54	www.ballhomes.com
BEAZER HOMES USA	9	www.beazer.com
THE BEECHWOOD ORGANIZATION	87	www.beechwoodhomes.com
BLOOMFIELD HOMES	131	www.bloomfieldhomes.net
BOWEN FAMILY HOMES	39	www.bowenfamilyhomes.com
BOZZUTO & ASSOCIATES	156	www.bozzuto.com
BRASELTON HOMES	157	www.braseltonhomes.com
BROOKFIELD HOMES CORP.	41	www.brookfieldhomes.com
THE BUILDERS GROUP OF WEST ALABAMA	168	www.thebuildersgroup.info
C AND C BUILDERS OF COLUMBIA	159	www.candcbuilders.com
C.F. JORDAN	141	www.cfjordan.com
CACHET HOMES	172	www.cachethomes.net
CAPITAL PACIFIC HOLDINGS	55	www.capitalpacifichomes.com
CASSIDY HOMES	183	www.cassidyhomes.com
CASTLE & COOKE	64	www.castlecooke.net
CASTLEROCK COMMUNITIES	77	www.castlerockcommunities.com
CAVINESS AND CATES COMMUNITIES	89	www.cavinessandcates.com
CBH HOMES	42	www.cbhhomes.com
CENTERLINE HOMES	95	www.centerlinehomes.com
CENTEX CORP.	3	www.centex.com
CLASSIC HOMES	109	www.classichomes.com
COMPASS POINTE HOMES	149	www.compasspointehomes.com
COMSTOCK HOMEBUILDING COS.	141	www.comstockhomebuilding.com
THE CORKY MCMILLIN COS.	37	www.mcmillin.com
CREATIVE HOMES	188	www.stopdreamingstartbuilding.com
D.R. HORTON	1	www.drhorton.com
DAN RYAN BUILDERS	65	www.danryanbuilders.com
DARLING HOMES	58	www.darlinghomes.com
DAVID WEEKLEY HOMES	17	www.davidweekleyhomes.com
DESERT VIEW HOMES	65	www.desertviewhomes.com
DOMINION HOMES	60	www.dominionhomes.com
THE DREES CO.	25	www.dreeshomes.com
EAGLE CONSTRUCTION OF VIRGINIA	158	www.eagleofva.com
EASTWOOD HOMES	55	www.eastwoodhomes.com
ELLIOTT HOMES	92	www.elliotthomes.com
ENCE HOMES	175	www.encehomes.com
ENNIS HOMES	151	www.ennishomes.com
EPCON COMMUNITIES FRANCHISING	31	www.epconcommunities.com
ESSEX HOMES SOUTHEAST	85	www.essexhomes.net

THE 2008 ALPHABETICAL LISTING

COMPANY	RANK	WEB SITE
THE ESTRIDGE COS.	120	www.estridge.com
EYA	178	www.eya.com
FIELDSTONE RESIDENTIAL COMMUNITIES	40	www.fieldstone-homes.com
FIRST TEXAS HOMES	36	www.firsttexashomes.com
FISCHER HOMES	52	www.fischerhomes.com
FULTON HOMES CORP.	70	www.fultonhomes.com
G.L. HOMES	43	www.glhomes.com
GABLES HOLDING CORP.	127	www.gablesholding.com
GALLAGHER & HENRY	197	www.gallagherandhenry.com
GEHAN HOMES	46	www.gehanhomes.com
GEMCRAFT HOMES	61	www.gemcrafthomes.com
GRAND HOMES	67	www.grandhomes.com
GRAYHAWK HOMES	169	www.grayhawkhomesinc.com
GREAT SOUTHERN HOMES	72	www.gshomes.gs
GREENVALE CONSTRUCTION	151	www.greenvalehomes.net
H & H HOMES	98	www.hhhomes.com
HABITAT FOR HUMANITY INTERNATIONAL	11	www.habitat.org
HAMLET HOMES	163	www.hamlethomes.com
HARKINS BUILDERS	148	www.harkinsbuilders.com
HARWOOD HOMES	115	www.harwoodhomes.com
HEARTHSTONE HOMES	30	www.omahanewhomes.com
HEARTSTONE DEVELOPMENT	193	n/a
HECKMAN HOMES	192	www.davidjamescustomhomes.com
HERITAGE BUILDING GROUP	115	www.heritagebuildinggroup.com
HHHUNT CORP.	179	www.hhhunt.com
HIGHLAND HOMES	23	www.highlandhomes.com
HILLS COMMUNITIES	91	www.hillsinc.com
HISTORY MAKER HOMES	48	www.historymaker.com
HOLIDAY BUILDERS	44	www.holidaybuilders.com
HOME CREATIONS	76	www.homecreations.com
HOMES BY KENNEDY	190	www.homesbykennedy.com
HOVNANIAN ENTERPRISES	6	www.khov.com
HPH HOMES	94	www.hphhomes.com
HUBBLE HOMES	71	www.hubblehomes.com
HUNTER COMMUNITIES	53	www.bighouselittleprice.com
ICI HOMES	101	www.icihomes.com
IMAGINE HOMES	184	www.imaginehomessa.com
IVORY HOMES	45	www.ivoryhomes.com
JEFF BENTON HOMES	133	www.jeffbentonhomes.com
JOHN MOURIER CONSTRUCTION	108	www.jmchomes.com
JOHN WIELAND HOMES & NEIGHBORHOODS	49	www.jwhomes.com
JOHNSON HOMES	200	www.johnsonhomesusa.com
THE JONES CO. OF TENNESSEE	92	www.livejones.com
KALIAN COS.	187	www.kalian.com
KB HOME	5	www.kbhome.com
KELLER HOMES	186	www.kellerhomes.com
KENDALL HOMES	164	www.kendallhomes.net
KEYSTONE CUSTOM HOMES	100	www.keystonecustomhome.com
KEYSTONE HOMES	117	www.buildkeystone.com
LAKEWOOD HOMES	117	www.lakewoodhomes.com

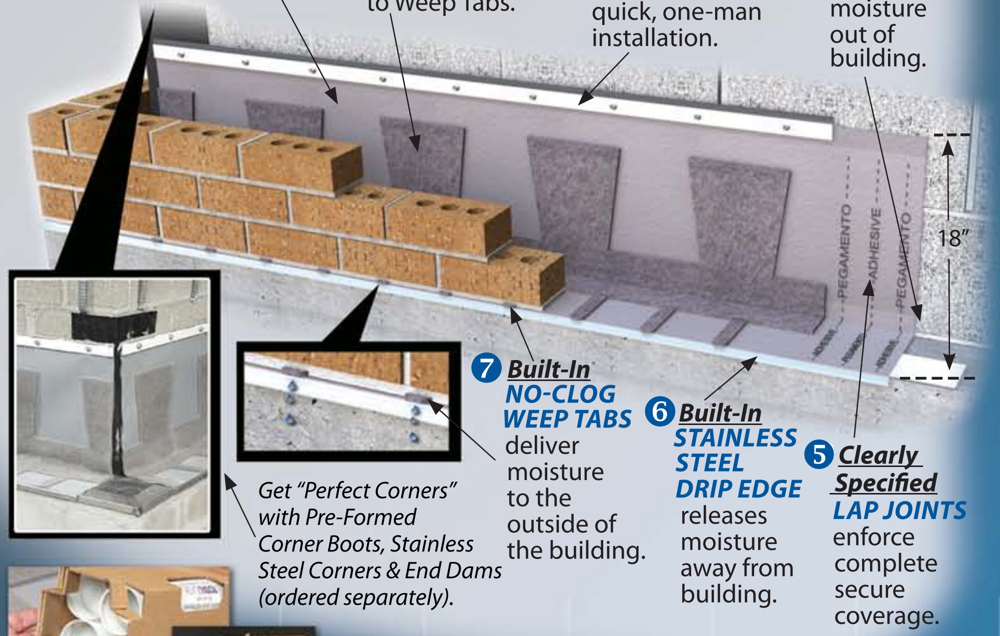




First, Guard the Walls

A Healthy Home Must Start With Healthy Wall-Cavities.

With TOTALFLASH™ In The Walls, Everyone Will Breathe Easier. Here's Why:





***All Screws & Adhesive Tubes included in each box of* TOTALFLASH™**

[1] Uses 40-mil polymeric, reinforced, UV stable flashing membrane, incorporating DuPont's Elvaloy® KEE polymer.

It's easy enough to halt unwanted moisture or mold inside your home, where it's visible. But the unseen cavities behind brick walls are constantly attacked by moisture. It comes from wind-driven rain & snow, or the natural condensation formed where air-conditioned interior walls meet a warm outdoors.

If that water is allowed to remain between the brickwork and the interior walls, it may spawn mold-growth, or even weaken the structure itself. Healing such damage--if it can be healed at all--is extremely costly. So an extra "ounce of protection" at the start is definitely worth a "ton of cure" later.

Our patented TOTALFLASH™ is the only wall-drainage system that combines all of the most effective modern moisture-expulsion methods, providing the finest long-term reliability. In fact, it's so ingeniously designed that some homeowners say they hate to hide it behind the brickwork. Yet this supreme, "all-in-one" guardian costs far less than installing each of its moisture-defenses separately.

Choosing **TOTALFLASH's** multiple moisture-controls can mean a longer, healthier life for your home's elegant brick walls. Not to mention the people who live inside them.

800-664-6638
MortarNet.com

see us at Sweets.com ARCAT

Quietly Protecting America's Finest Homes

Go to http://builder.hotims.com for more info

TOTALFLASH™
CAVITY-WALL DRAINAGE SYSTEM
by Mortar Net USA, Ltd.

THE 2008 ALPHABETICAL LISTING

COMPANY	RANK	WEB SITE
LANDMARK VALLEY HOMES	106	www.landmarkvalleyhomesinc.com
LAZARUS-SHOUSE COMMUNITIES	181	www.lshomes.com
LECESSE DEVELOPMENT CORP.	199	www.lecesse.com
LEGEND HOMES	143	www.legendhomes.com
LENNAR CORP.	4	www.lennar.com
LGI HOMES	68	www.lgihomes.com
LOMBARDO COS.	143	www.lombardocompanies.com
LOWDER NEW HOMES	185	www.lowdernewhomes.com
M.D.C. HOLDINGS	15	www.richmondamerican.com
M/I HOMES	21	www.mihomes.com
MAGELLAN DEVELOPMENT GROUP	139	www.magellandevelopment.com
MAIN STREET HOMES	161	www.mainstreethomes.info
MARRANO/MARC-EQUITY CORP.	133	www.marrano.com
MATTAMY U.S. GROUP	51	www.mattamyhomes.com
MBK HOMES	128	www.mbkhomes.com
MCBEE HOMES	149	www.mcbeehomes.com
MCBRIDE & SON ENTERPRISES	28	www.mcbridehomes.com
MCCAFFREY HOMES	113	www.mccaffreyhomes.com
MCCAR HOMES	29	www.mccarhomes.com
MCZ DEVELOPMENT CORP.	81	www.mczdevelopment.com
MEDALLION HOMES	125	www.medallionhomes.com
MEETING STREET HOMES & COMMUNITIES	153	www.meetingstreet.net
MERCEDES HOMES	27	www.mercedeshomes.com
MERIDIAN HOMES USA	105	www.meridian.com
MERITAGE HOMES CORP.	10	www.meritagehomes.com
MHI	26	www.mcguyerhomebuilders.com
MICHAEL SIVAGE HOMES AND COMMUNITIES	106	www.sivagehomes.com
MILLER AND SMITH	103	www.millerandsmith.com
MINKS CUSTOM HOMES	171	www.minkscustomhomes.com
MJC COS.	136	www.mjccompanies.com
THE MUNGO COS.	38	www.mungo.com
NEAL COMMUNITIES OF SOUTHWEST FLORIDA	135	www.nealcommunities.com
NOVARE DEVELOPMENT	34	www.novaregroup.com
NVR	7	www.nvrinc.com
OLE SOUTH PROPERTIES	73	www.olesouth.com
THE OLSON CO.	84	www.olsonhomes.com
ORLEANS HOMEBUILDERS	35	www.orleanshomes.com
PACIFIC COMMUNITIES BUILDER	137	www.pacificcommunities.com
PACIFIC WEST COS.	87	www.likenooneelse.com
PAGEANTRY HOMES	128	www.pageantryhomes.com
PARK SQUARE HOMES	98	www.parksquarehomes.com
PASQUINELLI	24	www.pasquinelli.com
PATRICK MALLOY COMMUNITIES	166	www.pmcommunities.com
PCS HOMES	123	www.pcshomes.com
PEACHTREE RESIDENTIAL PROPERTIES	153	www.peachtreeresidential.com
PERRY HOMES	22	www.perryhomes.com
PETROS HOMES	194	www.petroshomes.com
POLYGON NORTHWEST CO.	63	www.polygonhomes.com
PREMIER COMMUNITIES	140	www.homebuyingmadeeasy.com
PROVIDENCE HOMES	146	www.myprovidencehome.com

THE 2008 ALPHABETICAL LISTING

COMPANY	RANK	WEB SITE
PULTE HOMES	2	www.pulte.com
RAUSCH COLEMAN HOMES	59	www.rauschcolemanhomes.com
RIVENDALE HOMES	176	www.rivendalehomes.com
THE ROTTLUND CO.	79	www.rottlundhomes.com
RYDER HOMES	195	www.ryderhomes.com
THE RYLAND GROUP	8	www.ryland.com
S&A HOMES	69	www.sahomebuilder.com
SARES-REGIS GROUP	121	www.sares-regis.com
SCENIC HOMES	47	www.scenichomes.com
SCHIELER & RASSI QUALITY BUILDERS	181	www.homewayhomes.com
SEAGATE HOMES	170	www.seagatehomes.com
SHEA HOMES	16	www.sheahomes.com
SHUGART ENTERPRISES	82	www.sehomes.us
SHUMAKER HOMES	137	www.shumakerhomes.com
SIMMONS HOMES	97	www.simmonshomes.com
SOUTHEASTERN BUILDING CORP.	196	www.southeasternbuilding.net
SOUTHERN HOMES	159	www.southernhomes.com
STANDARD PACIFIC CORP.	13	www.standardpacific.com
STANLEY MARTIN COS.	96	www.stanleymartin.com
SUMEER HOMES	172	www.sumeerhome.com
SUNCOR DEVELOPMENT CO.	111	www.suncoraz.com
T.H. PROPERTIES	78	www.thproperties.com
T.W. LEWIS CO.	126	www.twlewis.com
TAYLOR MORRISON	12	www.taylormorrison.com
TEMPEST HOMES	153	www.tempesthomes.com
TEXAS BBL	85	www.texasbbl.com
THORNTON CONSTRUCTION CO.	166	www.thorntonhomes.net
TITAN HOMES	198	www.titanhomesinc.com
TOLL BROTHERS	14	www.tollbrothers.com
TRAMMELL CROW RESIDENTIAL	83	www.tcresidential.com
TRATON HOMES	143	www.tratonhomes.com
TREND HOMES	122	www.trendhomes.com
UNMISTAKABLY PREMIER HOMES	165	www.buildpremier.com
VAN METRE COS.	102	www.vanmetrecompanies.com
VILLAGE COMMUNITIES REAL ESTATE	131	www.villagecommunities.com
VILLAGE HOMES OF COLORADO	114	www.villagehomes.com
THE VILLAGES OF LAKE-SUMTER	19	www.thevillages.com
WADE JURNEY HOMES	110	www.wadejurneyhomes.com
WARMINGTON HOMES	57	www.homesbywarmington.com
WATHEN-CASTANOS-MAZMANIAN	124	www.wathen-castanos.com
WEST HILLS DEVELOPMENT	75	www.arborhomes.com
WESTIN HOMES AND PROPERTIES	130	www.westin-homes.com
WESTPORT HOMES	50	www.westport-home.com
WEYERHAEUSER REAL ESTATE CO.	18	www.weyerhaeuser.com/businesses/wreco
WILLIAM LYON HOMES	32	www.lyonhomes.com
WILLIAM RYAN HOMES	74	www.williamryanhomes.com
WOOD PARTNERS	90	www.woodpartners.com
WOODLAND HOMES OF HUNTSVILLE	146	www.woodlandhomes.com
WOODSIDE HOMES	20	www.woodside-homes.com
WYNN CONSTRUCTION	176	www.wynn-homes.com

Builder 100

THE 2008 GROSS REVENUE RANKING

RANK	COMPANY	GROSS REVENUE *
2	PULTE HOMES	$6,289
1	D.R. HORTON	$5,822
3	CENTEX CORP.	$5,318
4	LENNAR CORP.	$4,575
7	NVR	$3,693
6	HOVNANIAN ENTERPRISES	$3,571
14	TOLL BROTHERS	$3,158
5	KB HOME	$3,034
8	THE RYLAND GROUP	$1,976
9	BEAZER HOMES USA	$1,806
12	TAYLOR MORRISON	$1,800
13	STANDARD PACIFIC CORP.	$1,718
10	MERITAGE HOMES CORP.	$1,523
11	HABITAT FOR HUMANITY INTERNATIONAL	$1,481
15	M.D.C. HOLDINGS	$1,460
18	WEYERHAEUSER REAL ESTATE CO.	$1,408
16	SHEA HOMES	$1,400
17	DAVID WEEKLEY HOMES	$982
19	THE VILLAGES OF LAKE-SUMTER	$696
23	HIGHLAND HOMES	$678
20	WOODSIDE HOMES	$655
25	THE DREES CO.	$628
21	M/I HOMES	$608
22	PERRY HOMES	$569
156	BOZZUTO & ASSOCIATES	$526
32	WILLIAM LYON HOMES	$526
35	ORLEANS HOMEBUILDERS	$486
41	BROOKFIELD HOMES CORP.	$449
26	MHI	$420
121	SARES-REGIS GROUP	$418
34	NOVARE DEVELOPMENT	$400
139	MAGELLAN DEVELOPMENT GROUP	$399
49	JOHN WIELAND HOMES & NEIGHBORHOODS	$397
28	MCBRIDE & SON ENTERPRISES	$397
29	MCCAR HOMES	$362
40	FIELDSTONE RESIDENTIAL COMMUNITIES	$359
33	ASHTON WOODS USA	$353
141	C.F. JORDAN	$337
31	EPCON COMMUNITIES FRANCHISING	$307
43	G.L. HOMES	$305
37	THE CORKY MCMILLIN COS.	$301
57	WARMINGTON HOMES	$289
199	LECESSE DEVELOPMENT CORP.	$283
45	IVORY HOMES	$277
148	HARKINS BUILDERS	$249
64	CASTLE & COOKE	$238
58	DARLING HOMES	$227
39	BOWEN FAMILY HOMES	$219
85	TEXAS BBL	$217
102	VAN METRE COS.	$211

*In millions ❖ Declined to share revenue numbers

THE 2008 GROSS REVENUE RANKING

RANK	COMPANY	GROSS REVENUE *
36	FIRST TEXAS HOMES	$199
111	ARTHUR RUTENBERG HOMES	$193
55	CAPITAL PACIFIC HOLDINGS	$189
84	THE OLSON CO.	$183
30	HEARTHSTONE HOMES	$180
69	S&A HOMES	$178
81	MCZ DEVELOPMENT CORP.	$169
67	GRAND HOMES	$161
87	THE BEECHWOOD ORGANIZATION	$160
96	STANLEY MARTIN COS.	$160
61	GEMCRAFT HOMES	$156
70	FULTON HOMES CORP.	$153
92	ELLIOTT HOMES	$149
63	POLYGON NORTHWEST CO.	$149
79	AMERICAN WEST DEVELOPMENT	$146
38	THE MUNGO COS.	$143
51	MATTAMY U.S. GROUP	$141
103	MILLER AND SMITH	$141
75	WEST HILLS DEVELOPMENT	$135
65	DAN RYAN BUILDERS	$133
91	HILLS COMMUNITIES	$132
101	ICI HOMES	$131
115	HERITAGE BUILDING GROUP	$130
44	HOLIDAY BUILDERS	$130
52	FISCHER HOMES	$127
42	CBH HOMES	$126
46	GEHAN HOMES	$126
78	T.H. PROPERTIES	$125
179	HHHUNT CORP.	$118
54	BALL HOMES	$114
55	EASTWOOD HOMES	$114
104	AVATAR HOLDINGS	$112
50	WESTPORT HOMES	$111
111	SUNCOR DEVELOPMENT CO.	$110
126	T.W. LEWIS CO.	$109
128	MBK HOMES	$108
74	WILLIAM RYAN HOMES	$103
92	THE JONES CO. OF TENNESSEE	$100
60	DOMINION HOMES	$98
109	CLASSIC HOMES	$96
47	SCENIC HOMES	$92
115	HARWOOD HOMES	$90
79	THE ROTTLUND CO.	$89
48	HISTORY MAKER HOMES	$88
114	VILLAGE HOMES OF COLORADO	$88
95	CENTERLINE HOMES	$87
108	JOHN MOURIER CONSTRUCTION	$87
120	THE ESTRIDGE COS.	$85
85	ESSEX HOMES SOUTHEAST	$83
100	KEYSTONE CUSTOM HOMES	$83

*In millions ❖ Declined to share revenue numbers

Builder 100

THE 2008 GROSS REVENUE RANKING

RANK	COMPANY	GROSS REVENUE *
62	ARMADILLO HOMES	$82
53	HUNTER COMMUNITIES	$80
98	PARK SQUARE HOMES	$80
59	RAUSCH COLEMAN HOMES	$79
89	CAVINESS AND CATES COMMUNITIES	$75
71	HUBBLE HOMES	$75
113	MCCAFFREY HOMES	$75
90	WOOD PARTNERS	$75
94	HPH HOMES	$71
153	PEACHTREE RESIDENTIAL PROPERTIES	$70
117	LAKEWOOD HOMES	$68
137	PACIFIC COMMUNITIES BUILDER	$68
151	ENNIS HOMES	$66
133	MARRANO/MARC-EQUITY CORP.	$66
135	NEAL COMMUNITIES OF SOUTHWEST FLORIDA	$66
76	HOME CREATIONS	$65
77	CASTLEROCK COMMUNITIES	$64
65	DESERT VIEW HOMES	$64
87	PACIFIC WEST COS.	$64
72	GREAT SOUTHERN HOMES	$63
68	LGI HOMES	$63
73	OLE SOUTH PROPERTIES	$63
178	EYA	$61
82	SHUGART ENTERPRISES	$61
98	H & H HOMES	$59
143	TRATON HOMES	$54
133	JEFF BENTON HOMES	$53
172	CACHET HOMES	$51
158	EAGLE CONSTRUCTION OF VIRGINIA	$51
105	MERIDIAN HOMES USA	$51
140	PREMIER COMMUNITIES	$51
180	ABD DEVELOPMENT	$49
119	ASTORIA HOMES	$49
161	MAIN STREET HOMES	$49
97	SIMMONS HOMES	$49
141	COMSTOCK HOMEBUILDING COS.	$47
128	PAGEANTRY HOMES	$47
124	WATHEN-CASTANOS-MAZMANIAN	$47
123	PCS HOMES	$46
130	WESTIN HOMES AND PROPERTIES	$45
125	MEDALLION HOMES	$43
146	WOODLAND HOMES OF HUNTSVILLE	$43
176	RIVENDALE HOMES	$42
195	RYDER HOMES	$42
122	TREND HOMES	$42
189	ANDERSON HOMES	$40
186	KELLER HOMES	$39
146	PROVIDENCE HOMES	$39
117	KEYSTONE HOMES	$35
137	SHUMAKER HOMES	$35

*In millions ❖ Declined to share revenue numbers

THE 2008 GROSS REVENUE RANKING

RANK	COMPANY	GROSS REVENUE *
143	LOMBARDO COS.	$34
171	MINKS CUSTOM HOMES	$33
106	MICHAEL SIVAGE HOMES AND COMMUNITIES	$32
131	BLOOMFIELD HOMES	$31
175	ENCE HOMES	$31
127	GABLES HOLDING CORP.	$31
163	HAMLET HOMES	$31
162	ARMSTRONG HOMES	$30
106	LANDMARK VALLEY HOMES	$30
149	MCBEE HOMES	$30
136	MJC COS.	$30
110	WADE JURNEY HOMES	$29
197	GALLAGHER & HENRY	$27
153	MEETING STREET HOMES & COMMUNITIES	$27
131	VILLAGE COMMUNITIES REAL ESTATE	$27
193	HEARTSTONE DEVELOPMENT	$26
159	SOUTHERN HOMES	$26
157	BRASELTON HOMES	$25
149	COMPASS POINTE HOMES	$25
172	SUMEER HOMES	$25
166	THORNTON CONSTRUCTION CO.	$25
151	GREENVALE CONSTRUCTION	$24
194	PETROS HOMES	$24
181	SCHIELER & RASSI QUALITY BUILDERS	$23
185	LOWDER NEW HOMES	$22
166	PATRICK MALLOY COMMUNITIES	$22
168	THE BUILDERS GROUP OF WEST ALABAMA	$21
169	GRAYHAWK HOMES	$21
181	LAZARUS-SHOUSE COMMUNITIES	$21
170	SEAGATE HOMES	$21
165	UNMISTAKABLY PREMIER HOMES	$21
183	CASSIDY HOMES	$20
164	KENDALL HOMES	$20
153	TEMPEST HOMES	$20
192	HECKMAN HOMES	$16
184	IMAGINE HOMES	$16
196	SOUTHEASTERN BUILDING CORP.	$15
172	AVTEC HOMES	$14
187	KALIAN COS.	$14
176	WYNN CONSTRUCTION	$14
190	HOMES BY KENNEDY	$12
188	CREATIVE HOMES	$10
198	TITAN HOMES	$10
200	JOHNSON HOMES	$4
190	ARTISTIC HOMES	❖
159	C AND C BUILDERS OF COLUMBIA	❖
143	LEGEND HOMES	❖
27	MERCEDES HOMES	❖
24	PASQUINELLI	❖
83	TRAMMELL CROW RESIDENTIAL	❖

*In millions ❖ Declined to share revenue numbers

Builder 100

Beyond the Box

To survive the housing recession, the factory-built housing industry explores new business lines and expands energy-efficient offerings.

BY ALISON RICE

WITH THE SINGLE-FAMILY MARKET IN SHAMBLES, THE FACTORY-BUILT HOUSING industry turned to new markets and a growing interest in green to survive a difficult 2008.

"We're not trying to get out of the single-family business—that's our mainstay," says John Colucci, vice president of sales and marketing at Westchester Modular Homes in Wingdale, N.Y., which manufactured 230 single-family modular homes in 2008.

But with manufactured-home shipments down more than 30 percent to 81,900 units in 2008, according to the U.S. Census Bureau, companies such as Westchester have been forced to diversify. Westchester now fabricates a growing number of multifamily and commercial structures, which currently represent 25 percent of its business.

A company can't afford to be complacent in a downturn, explains Colucci. "You've got to go after markets that you wouldn't have gone after before because they were too complicated."

NEW MARKETS

For many factory-built companies, those markets include multifamily, commercial, and resort buildings. "Generally, 10 percent of our business is multifamily," says Steve Scharnhorst, CEO of Camp Hill, Pa.–based Excel Homes, where multifamily represented between 15 percent and 17 percent of its business in 2008. "It will be higher in 2009," he predicts. "That's where the money is still flowing."

The same trend is emerging at Genesis Homes, the modular division of (see page 106)

THE 2008 TOP 20 MODULAR/WHOLE-HOUSE PANEL BUILDERS

1-4

RANK ('07 rank)	COMPANY/CEO	ADDRESS	2008 HOMES SHIPPED (vs. '07 shipments)	2008 GROSS REVENUE* (vs. '07 revenue)
1 (1)	CHAMPION ENTERPRISES (p) William C. Griffiths	755 W. Big Beaver Rd., Suite 1000, Troy, MI 48084 • 248-614-8200 • www.championhomes.com	2,507 -32% ▼	$1,033 -19% ▼
2 (2)	CLAYTON HOMES (p) Kevin Clayton	5000 Clayton Rd., Knoxville, TN 37804 • 865-380-3000 • www.claytonhomes.com	1,766 -25% ▼	❖
3 (11)	FLEETWOOD ENTERPRISES (p) Elden L. Smith	3125 Myers St., Riverside, CA 92503 • 951-351-3500 • www.fleetwoodhomes.com	1,300 140% ▲	$450 -76% ▼
4 (–)	CAVCO INDUSTRIES (p) Joseph H. Stegmayer	1001 N. Central Ave., Suite 800, Phoenix, AZ 85004 • 602-256-6263 • www.cavco.com	1,221 n/a	$121 n/a

*In millions ❖ = Declined to share revenue numbers

Builder 100

Champion Enterprises in Troy, Mich., which produced 8,900 manufactured and modular homes for the U.S. market last year. "Our core market has certainly gotten tighter, and a lot of our builders are seeing the need for multifamily and rental buildings," says Kevin Flaherty, vice president of sales and marketing for Genesis. That includes specialty developments such as military housing. Genesis, for example, is building modular homes for soldiers and their families at Fort Lewis in Washington state under a multi-year contract.

Genesis is also pursuing the resort market, building hotels in the mountains of Wyoming and workforce housing for service employees on Catalina Island, located off the coast of Southern California. It's been a learning experience for the company, which has found that it must be more involved in site services with these physically larger structures than it traditionally has been with its modular single-family business.

But those are lessons that Genesis is happy to learn, seeing it as an investment in the company's short-term revenue and its long-term prospects. "The more markets you're spread across, the more you spread your risk," Flaherty says.

Not all manufactured-housing companies have been successful at risk reduction, however. Fleetwood Enterprises, one of the country's largest factory-built housing suppliers, filed for Chapter 11 bankruptcy in March 2009.

BALANCING ENERGY EFFICIENCY AND ECONOMICS

In addition to diversifying their product (see page 108)

THE 2008 TOP 20 MODULAR/WHOLE-HOUSE PANEL BUILDERS 5-20

RANK ('07 rank)	COMPANY/CEO	ADDRESS	2008 HOMES SHIPPED (vs. '07 shipments)	2008 GROSS REVENUE* (vs. '07 revenue)
5 (–)	**AUTOMATED DIVISION 6 BUILDERS** Beverly Clevenger	P.O. Box 640083, El Paso, TX 79904 • 915-751-3868	1,071 n/a	$11 n/a
6 (4)	**WAUSAU HOMES** Tom Schuette; Jay Schuette	P.O. Box 8005, Wausau, WI 54402 • 715-359-7272 • www.wausauhomes.com	929 -49% ▼	$85 -65% ▼
7 (12)	**AMERICAN HOMESTAR CORP.** (p) Finis F. Teeter	2450 S. Shore Blvd., Suite 300, League City, TX 77573 • 281-334-9700 • www.americanhomestar.com	898 69% ▲	$153 122% ▲
8 (5)	**MUNCY HOMES** Thomas Saltsgiver	1567 Route 442 Hwy., Muncy, PA 17756 • 570-546-5444 • www.muncyhomesinc.com	815 -19% ▼	48 n/a
9 (6)	**EXCEL HOMES** Steve Scharnhorst	300 Corporate Center Dr., Suite 602, Camp Hill, PA 17011 • 717-761-7650 • www.excelhomes.com	800 -7% ▼	$80 -13% ▼
10 (8)	**NATIONWIDE CUSTOM HOMES** (p) Andy Miller	1100 Rives Rd., Martinsville, VA 24115 • 276-632-7100 • www.nationwide-homes.com	541 -22% ▼	$46 -37% ▼
11 (9)	**PROFESSIONAL BUILDING SYSTEMS** William D. French	72 E. Market St., Middleburg, PA 17842 • 570-837-1424 • www.pbsmodular.com	499 -23% ▼	$43 -27% ▼
12 (7)	**RITZ-CRAFT CORP.** Paul D. John	15 Industrial Park Rd., Mifflinburg, PA 17844 • 570-966-1053 • www.ritz-craft.com	460 -35% ▼	$54 -28% ▼
13 (20)	**PENN LYON HOMES CORP.** David W. Reed	195 Airport Rd., P.O. Box 27, Selinsgrove, PA 17870 • 800-788-4754 • www.pennlyon.com,	279 40% ▲	$19 -37% ▼
14 (14)	**SIMPLEX INDUSTRIES** Patrick Fricchione Jr.	1 Simplex Dr., Keyser Valley Industrial Park, Scranton, PA 18504 • 800-233-4233 • www.simplexhomes.com	260 -27% ▼	$29 -12% ▼
15 (17)	**WESTCHESTER MODULAR HOMES** Charles W. Hatcher	30 Reagans Mill Rd., Wingdale, NY 12594 • 845-832-9400 • www.westchestermodular.com	230 0% —	❖
16 (18)	**BARDEN BUILDING SYSTEMS** Mark Barden	2192 Thomas Albert Dr., P.O. Box 55, Tully, NY 13159 • 315-295-2800 • www.bardenhomes.com	175 -17% ▼	$17 n/a
17 (15)	**HANDCRAFTED HOMES** William A. Murray III	101 Eastern Minerals Rd., Henderson, NC 27537 • 252-436-0001 • www.handcraftedhomes.com	159 -38% ▼	$14 -42% ▼
17 (–)	**HHHUNT CORP.** David E. Reemsnyder II	800 Hethwood Blvd., Blacksburg, VA 24060 • 540-552-3515 • www.hhhunt.com	159 n/a	$117 n/a
19 (–)	**SIGNATURE BUILDING SYSTEMS OF PA** Victor DePhillips	1004 Springbrook Ave., Moosic, PA 18507 • 570-774-1000 • www.signaturecustomhomes.com	156 n/a	$19 n/a
20 (–)	**NEW ENGLAND HOMES** Daniel J. Donahue	270 Ocean Rd., Greenland, NH 03840 • 603-436-8830 • www.newenglandhomes.net	117 n/a	$12 n/a

*In millions ❖ = Declined to share revenue numbers

THE 2008 TOP 8 MANUFACTURED HOUSE BUILDERS

1-8

RANK ('07 rank)	COMPANY/CEO	ADDRESS	2008 HOMES SHIPPED (vs. '07 shipments)	2008 GROSS REVENUE* (vs. '07 revenue)
1 (1)	**CLAYTON HOMES** (p) Kevin Clayton	5000 Clayton Rd., Knoxville ,TN 37804 • 865-380-3000 • www.claytonhomes.com	29,893 0% —	❖
2 (2)	**FLEETWOOD ENTERPRISES** (p) Elden L. Smith	3125 Myers St., Riverside, CA 92503 • 951-351-3500 • www.fleetwoodhomes.com	9,602 -26% ▼	$376 -80% ▼
3 (3)	**CHAMPION ENTERPRISES** (p) William C. Griffiths	755 W. Big Beaver Rd., Suite 1000, Troy, MI 48084 • 248-614-8200 • www.championhomes.com	6,399 -36% ▼	$1,033 -19% ▼
4 (–)	**CAVCO INDUSTRIES** (p) Joseph H. Stegmayer	1001 N. Central Ave., Suite 800, Phoenix, AZ 85004 • 602-256-6263 • www.cavco.com	1,865 n/a	$121 n/a
5 (5)	**AMERICAN HOMESTAR CORP.** (p) Finis F. Teeter	2450 S. Shore Blvd., Suite 300, League City, TX 77573 • 281-334-9700 • www.americanhomestar.com	1,708 -2% ▼	$153 122% ▲
6 (7)	**JACOBSEN MANUFACTURING** W.R. Jacobsen	600 Packard Ct., Safety Harbor, FL 34695 • 727-726-1138 • www.jachomes.com	461 -18% ▼	$30 -21% ▼
7 (10)	**MANUFACTURED HOUSING ENTERPRISES** James L. Newman Sr.	09302 State Route 6, Bryan, OH 43506 • 419-636-4511• www.mheinc.com	232 6% ▲	$7 -13% ▼
8 (9)	**RITZ-CRAFT CORP.** Paul D. John	15 Industrial Park Rd., Mifflinburg, PA 17844 • 570-966-1053 • www.ritz-craft.com	113 -53% ▼	$54 -28% ▼

*In millions ❖ = Declined to share revenue numbers

lines, many major factory-built firms say they are improving their homes' energy efficiency and expanding their offerings to better serve their builders and their green-oriented customers.

That's more complicated than one might expect for modular homes, where the factory manufactures the home but a builder installs it. As a result, many homes have factory certification for Energy Star or another program but not for the installed home itself, which often requires additional testing or careful site selection. That's an undeniable hassle for modular builders, who are often constructing not a subdivision but homes on scattered sites.

To address that issue, Excel recently introduced a service program that allows builders to offer buyers a fully certified Energy Star home and helps builders take advantage of a $2,000 federal tax credit for each energy-efficient home they build. For an additional cost of $1,000 to $1,500 per home, Excel will follow the home through its design, manufacturing, installation, and energy rater's evaluation to obtain the certification. "We take the burden off the builder," says Scharnhorst, whose firm expects to produce 850 homes in 2009. "Not every home they do is an Energy Star home."

"Generally, 10 percent of our business is multifamily. It will be higher in 2009. That's where the money is still flowing."—Steve Scharnhorst, CEO, Excel Homes

And not every modular customer cares about obtaining such a certification. They're more concerned with performance. "What I'm finding is that most consumers don't understand all the facets of green [such as sustainably sourced materials or water-saving features]," says Westchester's Colucci. "They are more focused on energy efficiency."

For example, Westchester can build to the more rigorous requirements of LEED or the NAHB's new green building standard, but Colucci says most of Westchester's customers aren't interested in paying 6 percent to 10 percent more on a $100,000 house to achieve those standards. By contrast, 60 percent of the company's homes are built to meet Energy Star, which promises lower monthly utility costs in exchange for an additional charge of perhaps $1,000 to the home's sale price.

Of course, the uncertain economy is also affecting such decisions. At Genesis, a typical house used to run between 2,000 and 2,500 square feet, Flaherty says, but now buyers want homes between 1,400 and 2,000 square feet. So Genesis, like conventional single-family builder KB Home and others, is rolling out smaller homes to capture today's budget-minded buyers. Kitchens and baths are being simplified. The modular-home manufacturer is also evaluating everything from its delivery strategy to installation in the interest of cutting costs for itself and its builders and buyers. "There's a real eye on affordability right now," Flaherty says.

Statistics support Flaherty's assertions. According to Census Bureau data, in 2008, the average sales price for a manufactured home dropped 4.5 percent to $62,200.

Looking for the Bottom

For the largest multifamily builders, 2008 was a bad year—and 2009 will likely be worse.

BY LES SHAVER

THE FALLOFFS CAME FAST AND HARD ACROSS THE BOARD LAST YEAR.

In 2007, Hunt Building Co. built 9,366 units of rental housing, landing the El Paso, Texas–based firm squarely in the No. 2 spot on BUILDER's sister publication MULTIFAMILY EXECUTIVE's top 50 multifamily builders list that year. This year, it will take the No. 3 spot, with its 2008 starts plummeting almost 63 percent to 3,476. Lane Co., based in Atlanta, was No. 7 in 2007 with 4,367 units started, but saw a whopping 88 percent drop to 522 in its 2008 unit count. It is now coming in at No. 47. Even the No. 1 multifamily builder in the country—Dallas-based Trammell Crow Residential—saw its starts fall 25 percent from 10,936 units in 2007 to 8,194 last year.

Yes, 2008 was a tough year. All in all, only 15 companies on this year's list saw their starts go up in 2008. The core of the problem? After the Wall Street meltdown and subsequent stiffening of credit requirements, new lending came to a halt by early fall of 2008. The problem escalated when lenders effectively left developers stranded at the altar—changing terms at the last minute or simply pulling the loan—at the close of 2008, says John A. Schaffer, CFO of Contravest, a Lake Mary, Fla.–based company that started 866 units in 2008, landing it in the No. 38 spot this year.

"A lot of lenders have been out of the game *(see page 112)*

THE 2008 TOP 50 MULTIFAMILY BUILDERS 1-8

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 RENTAL STARTS (vs. '07 starts)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT	REGION
1 (1)	**TRAMMELL CROW RESIDENTIAL** Charles R. Brindell Jr. • 2001 Bryan St., Suite 3250, Dallas, TX 75201 • 214-922-8400 • www.tcresidential.com	8,194 -25% ▼	❖	MR	Northeast, Southwest, South, West
2 (6)	**LINCOLN PROPERTY CO.** Tim Byrne • 500 N. Akard St., Suite 3300, Dallas, TX 75201 • 214-740-3300 • www.lincolnapts.com	4,740 -3% ▼	$2,240 -10% ▼	MR	Northeast, Southwest, South, Midwest
3 (2)	**HUNT BUILDING CO.** W.L. Hunt • 4401 N. Mesa St., El Paso, TX 79902 • 915-533-1122 • www.huntcompanies.com	3,476 -63% ▼	$1,112 13% ▲	MIL	Northeast, South, West
4 (4)	**CLARK BUILDERS GROUP** Glenn Ferguson • 4401 Wilson Blvd., Suite 600, Arlington, VA 22203 • 703-294-4500 • www.clarkbuildersgroup.com	3,418 -41% ▼	$535 -8% ▼	AFF, MIL, MR	Northeast, South
5 (5)	**WOOD PARTNERS** Jerry Durkin • 1110 Northchase Pkwy., Suite 150, Marietta, GA 30067 • 770-951-8989 • www.woodpartners.com	3,369 -37% ▼	$726 19% ▲	AFF, IL, MR	Northeast, Southwest, South, West
6 (8)	**A.G. SPANOS COS.** Dean A. Spanos • 10100 Trinity Pkwy., 5th Floor, Stockton, CA 95219 • 209-478-7954 • www.agspanos.com	3,360 -18% ▼	$534 11% ▲	MR	Northeast, Southwest, South, Midwest, West
7 (27)	**MICHAELS DEVELOPMENT CO.** Michael J. Levitt • 1 E. Stow Rd., P.O. Box 994, Marlton, NJ 08053 • 856-596-3008 • www.michaelsdevelopmentcompany.com	2,961 74% ▲	$15 15% ▲	AFF, MIL	Northeast, Southwest, Midwest, West
8 (15)	**THE DINERSTEIN COS.** Jack Dinerstein • 3411 Richmond Ave., 2nd Floor, Houston, TX 77046 • 832-209-1222 • www.dinersteincompanies.com	2,884 22% ▲	$62 -21% ▼	MR, SH	Southwest, South, West

*In millions IL = Independent living (p) = Public MIL = Military ❖ = Declined to share revenue numbers MR = Market rate AFF = Affordable/subsidized SH = Student housing AL = Assisted living

for 60, 90, or 180 days," Schaffer says. "[Just] when you think everything is fine, they're getting the word out at the last minute that, as a corporation, they're pulling the plug on any new financing nationwide."

But that's not the only concern. Even if the lending spigots were turned on, apartment developers are still uncertain as to who will live in those new apartments after they open for lease-up. With the continued slowdown in the economy, leasing after new construction is becoming even more difficult.

"We don't want to start new development at the moment until we have more clarity on the economy," says David Stockert, president and CEO of Post Properties, whose Atlanta-based REIT saw a drastic falloff in starts, going from 1,131 in 2007 to 147 in 2008. "You'll have very little supply being produced over the next 12 to 18 months. I'm assuming that in 2009 people will be hunkering down, and maybe you will start to see things loosen up in 2010."

Stockert isn't alone in that sentiment. Almost every company on this year's top 50 list expects its starts to fall further in 2009. And, in some cases, the decline will be drastic. Birmingham, Ala.–based Colonial Property Trust started 742 units in 2008. But in 2009, the REIT expects to start nothing. Trammell Crow Residential only expects to start 2,000 units—after nearly 11,000 units started two years ago.

"2009 is going to make 2008 look like a cake walk," says Donald Phillips, owner and managing director of Phillips Development and Realty, a Tampa, Fla.–based builder that started *(see page 114)*

THE 2008 TOP 50 MULTIFAMILY BUILDERS 9–29

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 RENTAL STARTS (vs. '07 starts)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT	REGION
9 (21)	**FLOURNOY CONSTRUCTION CO.** **Thomas H. Flournoy** • P.O. Box 6566, Columbus, GA 31917 • 706-689-8830 • www.fcc.com	2,853 48% ▲	$189 n/a	MR	Southwest, South, Midwest
10 (12)	**PLACE PROPERTIES** **Cecil Phillips** • 3445 Peachtree Rd., Suite 1400, Atlanta, GA 30326 • 404-495-7500 • www.placeproperties.com	2,488 -12% ▼	❖	MIL, SH	Northeast, Southwest, South, Midwest, West
11 (—)	**PHILLIPS DEVELOPMENT AND REALTY** **Donald Phillips** • 142 W. Platt St., Tampa, FL 33606 • 813-868-3100 • www.phillipsdevelopment.com	2,430 121% ▲	❖	MR	Southwest, South
12 (3)	**ALLIANCE RESIDENTIAL CO.** **Bruce Ward** • 2415 E. Camelback Rd., Suite 600, Phoenix, AZ 85016 • 602-778-2800 • www.allresco.com	2,269 -68% ▼	$334 -67% ▼	AFF, MR	Southwest, South, West
13 (—)	**GREYSTAR REAL ESTATE PARTNERS** **Bob Faith** • 18 Broad St., Charleston, SC 29401 • 843-579-9400 • www.greystar.com	1,968 115% ▲	❖	MR	Southwest, South
14 (—)	**C.F. JORDAN** **C.F. Jordan** • 7700 C.F. Jordan Dr., El Paso, TX 79912 • 915-877-3333 • www.cfjordan.com	1,931 21% ▲	$337 n/a	MR, SH	Southwest
15 (16)	**BOZZUTO GROUP** **Thomas S. Bozzuto** • 7850 Walker Dr., Suite 400, Greenbelt, MD 20770 • 301-220-0100 • www.bozzuto.com	1,845 -21% ▼	$526 -41% ▼	AFF, IL, MR	Northeast
16 (20)	**HARKINS BUILDERS** **Richard Lombardo** • 2201 Warwick Way, Marriottsville, MD 21104 • 410-750-2600 • www.harkinsbuilders.com	1,821 -12% ▼	$249 -3% ▼	AFF, AL, IL, MIL, MR	Northeast
17 (29)	**PICERNE REAL ESTATE GROUP** **David Picerne** • 1420 E. Missouri Ave., Suite 100, Phoenix, AZ 85014 • 602-279-8484 • www.picerne.com	1,779 7% ▲	❖	AFF, MR	South, West
18 (11)	**AVALONBAY COMMUNITIES** (p) **Bryce Blair** • 2900 Eisenhower Ave., Suite 300, Alexandria, VA 22314 • 703-329-6300 • www.avalonbay.com	1,768 -48% ▼	$854 5% ▲	MR	Northeast, West
19 (—)	**PINNACLE, AN AMS CO.** **Stan Harrelson** • 2801 Alaskan Way, Suite 200, Seattle, WA 98126 • 206-215-9700 • www.pinnacleams.com	1,749 n/a	$85 n/a	MIL	Northeast, Southwest
20 (14)	**LINDSEY MANAGEMENT** **James E. Lindsey** • 1200 E. Joyce Blvd., Fayetteville, AR 72703 • 479-521-6686 • www.lindseymanagement.com	1,684 -35% ▼	❖	MR	Southwest, South, Midwest
21 (37)	**AMBLING COS.** **Mike Godwin** • 348 Enterprise Dr., Valdosta, GA 31601 • 229-244-2800 • www.ambling.com	1,566 11% ▲	❖	AFF, SH	South
22 (13)	**SC BODNER CO.** **Steve C. Bodner** • 6010 W. 62nd St., Indianapolis, IN 46278 • 317-536-2000 • www.scbodner.com	1,550 -42% ▼	❖	MR, SH	Northeast, Southwest, South, Midwest
23 (22)	**THE NRP GROUP** **Alan F. Scott** • 5309 Transportation Blvd., Garfield Heights, OH 44125 • 216-475-8900 • www.nrpgroup.com	1,437 -23% ▼	$158 -24% ▼	AFF, IL	Northeast, Southwest, South, Midwest
24 (9)	**RAMPART CONSTRUCTION** **Craig Cummings** • 1452 Hughes Rd., Suite 355, Grapevine, TX 76051 • 817-310-0053 • www.rampartconstruction.net	1,384 -64% ▼	$210 102% ▲	MR	Southwest
25 (—)	**DOSTER CONSTRUCTION CO.** **Thomas E. Doster** • 2100 International Park Dr., Birmingham, AL 35243 • 205-443-3800 • www.dosterconstruction.com	1,274 717% ▲	$273 n/a	AFF, AL, IL, MR	South
26 (17)	**TEXAS BBL** **Jerry Wilson** • 9901 E. Valley Ranch Pkwy., Suite 3000, Irving, TX 75063 • 972-869-1808 • www.texasbbl.com	1,215 -46% ▼	$107 -14% ▼	AFF, MR	Southwest, South
27 (25)	**GALAXY BUILDERS** **Arun Verma** • 4729 College Park, San Antonio, TX 78249 • 210-493-0550 • www.galaxybuilders.com	1,135 -35% ▼	$107 -9% ▼	AFF, IL, MIL, MR	Southwest
28 (47)	**HERMAN & KITTLE PROPERTIES** **Thomas E. Herman** • 500 E. 96th St., Suite 300, Indianapolis, IN 46240 • 317-846-3111 • www.hermankittle.com	1,131 9% ▲	$70 23% ▲	AFF, IL, MR	South, Midwest
29 (—)	**NATIONAL COMMUNITY RENAISSANCE** **Orlando Cabrera** • 9065 Haven Ave., Suite 100, Rancho Cucamonga, CA 91730 • 909-483-2444 • www.nationalcore.org	1,128 256% ▲	$76 9% ▲	AFF, IL	West

*In millions (p) = Public ❖ = Declined to share revenue numbers AFF = Affordable/subsidized AL = Assisted living
IL = Independent living MIL = Military MR = Market rate SH = Student housing

Our Possibilities are Endless



Hidden Vent Soffit, Green with an 11 NFA

Soffit & Fascia

- 23 **Fascia** Profiles
- 20 **Soffit** Profiles, *including the only aluminum Hidden Vent and Beaded Profiles*
- Available in 30 System Colors, 15 additional colors and 5 woodgrain finishes



Drip Edge

- 72 Drip Edge Options
- Available in 30 System Colors
- Available in Aluminum and Steel



Underdecking Systems

- Increase a homes value from the Inside Out
- Patented Wood Veneer System
- Available in 7 painted and 5 ultra-real woodgrain finishes



Gutter Protection & Rainware

- Gutter Coil and Accessories
- Available in 30 System Colors
- 6 Gutter Protection Profiles

1-888-784-0878

QE quality edge

qebuildingproducts.com

Go to http://builder.hotims.com for more info

2,430 units in 2008, taking the No. 11 spot on the list.

To deal with the downturn, developers are making all sorts of changes. Many companies, such as JPI of Las Colinas, Texas, have been forced to downsize to stay afloat. The company sold its management services division to Charleston, S.C.–based Greystar Real Estate Partners and its JPI Resident Solutions team of multifamily technology advisors to RealPage, a Carrollton, Texas–based multifamily technology products and services provider.

Lane Co. jettisoned former CEO Bill Donges and brought back the company's founder. Many others, such as San Francisco–based BRE Properties, announced sweeping layoffs. Colson and Colson in Salem, Ore.—traditionally a top 10 company—declined to participate in this year's list and continues to remain mum about its financial health. Miami-based The Related Cos., the builder of flashy South Beach high-rises during the height of the boom, also chose not to participate this year.

Even firms such as Contravest, which is seemingly well situated with existing equity partners, have had to make tough choices. The company has laid off workers, cut salaries, reduced benefits, and consolidated office space. Development personnel who remain with the company have had their responsibilities shifted to other departments within the organization, such as property management, to keep them busy.

In Schaffer's words: "Going forward, we're [looking at] cash flow to try to make smart decisions today to keep as much cash on hand as possible to weather the next two years." **B**

THE 2008 TOP 50 MULTIFAMILY BUILDERS 30–50

RANK ('07 rank)	COMPANY/CEO/ADDRESS	2008 RENTAL STARTS (vs. '07 starts)	2008 GROSS REVENUE* (vs. '07 revenue)	WHAT THEY BUILT	REGION
30 (30)	**UDR** (p) **Thomas W. Toomey** • 1745 Shea Center Dr., Ste. 200, Highlands Ranch, CO 80129 • 720-283-6120 • www.udr.com	1,111 -32% ▼	$563 13% ▲	MR	Northeast, Southwest, South, West
31 (—)	**SIMPSON HOUSING** **J. Robert Love** • 8110 E. Union Ave., Suite 200, Denver, CO 80237 • 303-283-4100 • www.simpsonhousing.com	1,051 59% ▲	$251 42% ▲	MR	Southwest, South, West
32 (—)	**AMERICAN CAMPUS COMMUNITIES** (p) **William Bayless** • 805 Las Cimas Pkwy., Suite 400, Austin, TX 78746 • 512-732-1000 • www.studenthousing.com	998 -29% ▼	$235 n/a	MR, SH	Northeast, Southwest
33 (46)	**EPOCH PROPERTIES** **James H. Pugh Jr.** • 359 Carolina Ave., Winter Park, FL 32789 • 407-644-9055 • www.epochproperties.com	958 -12% ▼	$78 32% ▲	MR	South
34 (35)	**MERCY HOUSING** **Sister Lillian Murphy** • 1999 Broadway, Suite 1000, Denver, CO 80202 • 303-830-3300 • www.mercyhousing.org	945 -35% ▼	$161 250% ▲	AFF, IL	Northeast, Southwest, South, Midwest, West
34 (—)	**WESTERN NATIONAL GROUP** **Michael K. Hayde** • 8 Executive Circle, Irvine, CA 92614 • 949-862-6200 • www.wng.com	945 136% ▲	❖	MR	West
36 (50)	**EDWARD ROSE BUILDING ENTERPRISE** **Warren Rose** • P.O. Box 9070, Farmington Hills, MI 48333 • 248-539-2255 • www.edwardrose.com	941 1% ▲	$359 1% ▲	MR	Northeast, Midwest
37 (45)	**FLAHERTY & COLLINS PROPERTIES** **David M. Flaherty; Jerry Collins** • 8900 Keystone Crossing, Suite 1200, Indianapolis, IN 46240 • 317-816-9300 • www.flahertycollins.com	872 -21% ▼	❖	AFF, MR, SH	South, Midwest
38 (31)	**CONTRAVEST** **Gerald Ogier** • 100 Colonial Center Pkwy., Suite 470, Lake Mary, FL 32746 • 407-333-0066 • www.contravest.com	866 -46% ▼	$117 -25% ▼	MR	Southwest, South
39 (23)	**GABLES RESIDENTIAL** **David D. Fitch** • 2859 Paces Ferry Rd., Suite 1450, Atlanta, GA 30339 • 770-436-4600 • www.gables.com	863 -54% ▼	$231 22% ▲	MR	Northeast, Southwest, South
40 (—)	**PENNROSE PROPERTIES** **Richard K. Barnhart** • One Brewery Park, 1301 N. 31st St., Philadelphia, PA 19121 • 267-386-8666 • www.pennrose.com	784 34% ▲	$13 43% ▲	AFF	Northeast, South
41 (32)	**COLONIAL PROPERTIES TRUST** (p) **Thomas H. Lowder** • 2101 6th Ave. N., Suite 750, Birmingham, AL 35203 • 205-250-8700 • www.colonialprop.com	742 -54% ▼	$330 -18% ▼	MR	Southwest, South
42 (28)	**EQUITY RESIDENTIAL** (p) **Samuel Zell** • 2 N. Riverside Plaza, Chicago, IL 60606 • 312-474-1300 • www.equityresidential.com	730 -56% ▼	$2,100 5% ▲	MR	West
43 (—)	**SARES-REGIS GROUP** **Geoffrey Stack** • 18802 Bardeen Ave., Irvine, CA 92612 • 949-756-5959 • www.sares-regis.com	652 -2% ▼	$418 -27% ▼	MR	West
44 (44)	**KETTLER** **Robert C. Kettler** • 1751 Pinnacle Dr., Suite 700, McLean, VA 22102 • 703-641-9000 • www.kettler.com	646 -42% ▼	$221 -75% ▼	MR	Northeast
45 (—)	**LANDSOUTH CONSTRUCTION** **James Pyle** • 1680 The Greens Way, Suite 100, Jacksonville Beach, FL 32250 • 904-273-6004 • www.landsouth.com	598 -40% ▼	$77 n/a	MR	South
46 (—)	**MARTIN FEIN INTERESTS** **Martin J. Fein** • 1400 Post Oak Blvd., Suite 500, Houston, TX 77056 • 713-683-4810 • www.mfein.com	546 5% ▲	$2 n/a	MR	Southwest
47 (7)	**LANE CO.** **George Lane III** • 5555 Glenridge Connector, Suite 700, Atlanta, GA 30342 • 404-459-6100 • www.lanecompany.com	522 -88% ▼	$147 -33% ▼	MR	South
48 (36)	**CARLISLE DEVELOPMENT GROUP** **Matthew Greer** • 2950 S.W. 27th Ave., Suite 200, Miami, FL 33133 • 305-476-8118 • www.carlisledevelopmentgroup.com	508 -65% ▼	❖	AFF	South
49 (—)	**WEIS BUILDERS** **Jay Weis** • 7645 Lyndale Ave. S., Minneapolis, MN 55423 • 612-243-5000 • www.weisbuilders.com	505 -37% ▼	$318 -32% ▼	AFF, AL, IL, MR, SH	Midwest
50 (—)	**HOME PROPERTIES** (p) **Edward J. Pettinella** • 850 Clinton Square, Rochester, NY 14604 • 585-546-4900 • www.homeproperties.com	469 -24% ▼	$510 1% ▲	MR	Northeast

*In millions (p) = Public ❖ = Declined to share revenue numbers AFF = Affordable/subsidized AL = Assisted living
IL = Independent living MIL = Military MR = Market rate SH = Student housing

WYNDHAM HOTEL GROUP

NAHB NATIONAL ASSOCIATION OF HOME BUILDERS

When it comes to hotel savings, **think Wyndham**



Save an additional 10% off

the "Best Available Rate*" at more than 6,500 participating hotels.

ID# 20090 must be mentioned at time of reservation.

For reservations call: 877.670.7088

WYNDHAM HOTELS AND RESORTS · RAMADA WORLDWIDE · Days Inn · Super 8 · WINGATE BY WYNDHAM · BAYMONT INN & SUITES · Microtel Inns & Suites · HAWTHORN SUITES · Howard Johnson · Travelodge · Knights Inn · AmeriHost Inn

Microtel and Hawthorne will be introduced when available in 2009.

* Best Available Rate" is defined as the best, non-qualified, publicly available rate on the Internet for the hotel, date and accommodations requested. The discount for International properties may be less than or equal to 10% of Best Available Rate. Certain restrictions apply. To redeem this offer call the hotel brand phone number above and give ID at the time of reservation. Offer not valid if hotel is called directly, caller must use toll free numbers listed above. Advanced reservations are required. Offer is subject to availability at participating locations and some blackout dates may apply. Offer cannot be combined with any other discounts, offers, or special promotions. Discounts vary by location and time of year. Offer is void where prohibited by law and has no cash value.



SAY AHHH: Spare and beautiful, this spa-like master bath took top honors among this year's winners.



COURTESY MINARC

The 2009 WATERMARK Awards

Baths make a big splash in this year's kitchen and bath competition.

KITCHENS AND BATHS ARE INTENSELY PERsonal spaces that say a lot about their owners. And during a time when consumers are ratcheting in their expenses and spending more time at home, one could argue that these comfort zones are more important than ever. They are oases of peace, warmth, sustenance, and fun in troubled times.

Clean lines and earth-friendly choices continued to dominate this year's contest (think full-overlay cabinets, frameless showers, and sustainable finishes), and a majority of the winners were remodels. Bathrooms in particular made a prominent appearance, representing half of all honored projects. That includes the top prize winner—a first since the competition's inception six years ago.

It should be noted also that, out of a couple hundred entries, one architecture firm walked off with five of only 10 awards this year's discerning judges saw fit to bestow. Simple, playful, eco-conscious, and original, its work somehow manages to do it all—with less.—*J.S.*

BY JENNY SULLIVAN, NIGEL F. MAYNARD, AND KELSEY WILLIAMS



TUB LIVING, LOS ANGELES

IN THE BUFF

BATH OF THE YEAR; GRAND, BEST MASTER BATH IN A REMODELED HOME

SOMETIMES THE SOUL OF A ROOM CAN BE encapsulated in a single iconic centerpiece. In this case, the Italian-designed Agape Spoon tub was so sensual and subdued that introducing competing features would have overpowered its beauty. So the architects at Minarc kept the other elements in this master bath remodel to a bare minimum, using "only raw materials in their most organic form." The result is a quiet space, free of visual noise, that appeals to many of the other senses.

Warmth in this neutral realm comes by way of radiant floor heating and natural wood accents. Teak slats form a platform and backsplash for the white exmar tub. The same wood species is used in the shower seating and floor, providing a rich complement to the frameless glass doors and hard surface concrete.

"We were going for a luxury spa feeling, evoking water, earth, air," says architect Erla Dogg Ingjaldsdottir of the eco-conscious space, which deliberately uses no carpets, tiles, or paints. The tranquil retreat literally becomes one with nature by opening up (via retractable wall) to a secluded outdoor courtyard with pebbled ground, native plants, and a metal water feature made by local artists. The resulting "light therapy" that floods the bath by day cuts down on electrical usage while promoting a feeling of wellness, say the architects.

"The clients wanted a relaxing environment where they could wind down from everyday stress," Ingjaldsdottir says. This space provides exactly that with grace and light.—*J.S.*







Entrant/Architect/Contractor: Minarc, Santa Monica, Calif.

PHOTOS: ERLA DOGG INGJALDSDOTTIR







■ ■ **CHENERY STREET BATH, SAN FRANCISCO**

CENTER STAGE

GRAND, BEST MASTER BATH IN A CUSTOM HOME

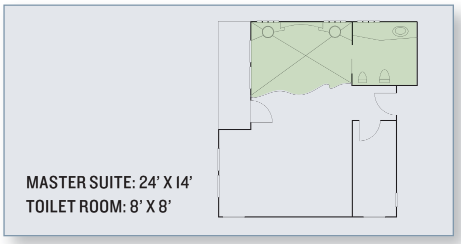
Mark English Architects designed this bathroom to explore everything beyond the realm of mere function and utility. It's about "the bathing experience as an integral part of the private world of the bedroom," Mark English says, including "comfort, sensuality, theater, and beauty."

Part of a complete remodel of a master suite, the bathroom was, as the client calls it, a "malformed and mindless central core of a structure." The architects gutted the original space, maintaining an existing small area for toilet and bidet but extending the room along an entire wall of the bedroom.

The client, a scientist with contemporary taste and the ability to think in three-dimensions, had specific requests for overlapping and orthogonal planes and for glass in different permutations. As a result, a thrown rope determined the curvature of the heated mosaic tile floor, and glass block walls with recessed mirrors create an interplay of light. "The mutable characteristics of light playing in iridescent glass tiles and cast glass blocks as well as in the water and wet surfaces inspires personal contemplation," the architect says.

To help balance the shiny surfaces, the design team used curving oak veneer cabinets—coated with a varnish to resist moisture—and a Douglas fir structural post to add an organic quality. The toilet room floor is designed with a slab of salvaged bay laurel wood set into the tile.—*N.F.M.*





PHOTOS: NORMA LOPEZ MOLINA

Entrant/Architect: Mark English Architects, San Francisco; **Builder:** Amalfi Tile and Marble, San Francisco





■■ CLAYTON KITCHEN, DENVER

NICE AND SMALL

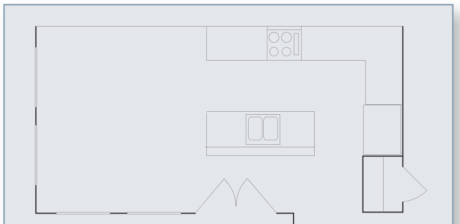
MERIT, BEST KITCHEN IN A SINGLE-FAMILY DETACHED REMODELED HOME—2,000 TO 3,000 SQUARE FEET

After 20 years, it was time for the white laminate countertops in this Art Deco–ish kitchen to go. As part of the remodel, the owners wanted larger, professional-grade appliances and a hearty helping of wow factor, but didn't want to expand the space beyond its existing footprint. They also didn't want the plumbing and electrical runs to be moved from their existing locations.

That left Nielsen-Wilson Design with a few design challenges. To accommodate the larger appliances, surrounding storage areas had to make up for lost space. Custom glass, steel, and ash Zona Cucina cabinets by Heritage (sourced from Denver-based Kitchen Distributors) were specified with ultra–space-saving features, such as vertical pull-outs for baking pans and special sections to hold small utensils.

At 150 square feet, the new kitchen is modest in size but rich in appointments. Special touches in and around the island include a marble top that wraps to the floor around steel kick panels; a suspended cable light fixture fabricated to match the exact dimensions of the island below; and a custom downdraft. The perimeter counters are beveled at a 45-degree angle on the edge detail.

And the materials are all natural. "The client wanted to keep things monochromatic, so we looked at subtle textural changes that would add layers of detail without color," says principal Mary Wilson. "For example, the tiny subway tiles in the backsplash are the same Carrera marble as the island top, but they create a different pattern." A bamboo ceiling provides warmth to offset a Texas limestone floor.—*J.S.*



KITCHEN: 16' x 10'

PHOTOS: JASON JUNG

Entrant/Designer: Nielsen-Wilson Design, Denver; **Builder:** Kane Creek Custom Homes, Greenwood Village, Colo.

■■ **MILLER RENOVATION, AUSTIN, TEXAS**

TRADING SPACES

MERIT, BEST MASTER BATH IN A REMODELED HOME

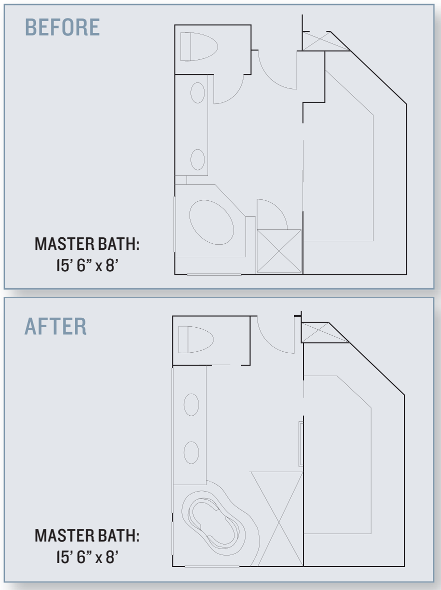
MOST HOMEOWNERS THINK THEY need more space, when in truth they likely just need better organization of space they already possess. CG+S Design-Build encountered just such a scenario when its clients asked for an expanded master bath in this Austin, Texas, redo. The firm ultimately convinced the clients to focus on quality over quantity and gave them this light-filled bath in the same footprint. "We designed a different scheme and focused on quality of the finishes rather than square footage," says Mark Lind, project designer.

After gutting the room, the designers focused on simple moves to improve the effectiveness and functionality of the plan. "We made the vanity longer and added [sliding] doors to the toilet compartment," says Lind. Combining the tub and shower into one wet area behind a frameless glass partition also makes better use of the existing space.

Light filters into the room via a large fixed window, and an operable casement on one end provides the option of fresh air. "The space only had two windows, so we opened up the wall with views to the countryside and rolling hills," says Lind. With no solid wall, lighted vanity mirrors hang from low-voltage stainless steel cables, and shades offer protection from direct sunlight. The new space is surfaced in a simple yet luxurious palette of travertine, slate, and mahogany.—*N.F.M.*

PHOTOS: GREG HURSLEY

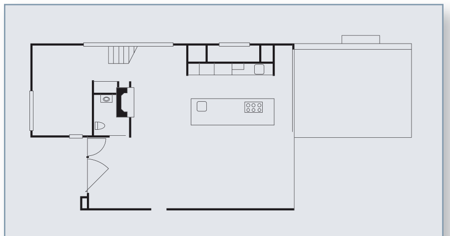






Entrant/Designer/Builder: CG+S Design-Build, Austin, Texas







GREENFIELD LIVING, LOS ANGELES

HOT AND COOL

GRAND, BEST KITCHEN IN A SINGLE-FAMILY DETACHED REMODELED HOME—2,000 TO 3,000 SQUARE FEET; **SPECIAL FOCUS,** ENERGY EFFICIENCY

When architects Erla Dogg Ingjaldsdottir and Tryggvi Thorsteinsson set up their practice in Los Angeles, they found themselves a bit more than a stone's throw from their native Iceland. But this clever kitchen in their family residence serves up a taste of home in fine fashion. Dramatic colors and textures evoking the Land of Fire and Ice include a matte black island wrapped in volcanic orange Corian and liquid rubber floating stair treads in a startling glacial blue. The entire exterior perimeter of the house is outlined by a border of lava rock.

Bold good looks notwithstanding, the design is also space-saving and planet-friendly. All finishes are non–off-gassing, and maple bar stools with backs made of recycled tires tuck neatly into the island when not in use. "The recycled rubber is great for kids and stands up to wear and tear," says Ingjaldsdottir. The kitchen, which spills out onto a heated patio for outdoor dining, is oriented to capture daylight and breezes, thus reducing the need for artificial light and climate control. In late afternoon, the raw concrete floors absorb the sun's warmth and store it for nighttime comfort.—*J.S.*

Entrant/Architect: Minarc, Santa Monica, Calif.; **Builder:** Lannen Construction, Los Angeles







LIGHT FANTASTIC

SPECIAL FOCUS, LIGHTING

Minarc's virtuosity with unusual materials also comes through in this sleek penthouse apartment, which won a special focus nod for bath lighting. The powder room features a glowing red floor made of Plexiglas, LED lights, and lava stone, which "flows" out into the living room. In the master bath, soffit lighting and embedded LED tiles create a sparkling effect on wall and floor coverings made of obsidian, a mineral-like volcanic glass.

PHOTOS: ERLA DOGG INGJALDSDOTTIR





■■ **CAMELOT, OLD TAPPAN, N.J.**

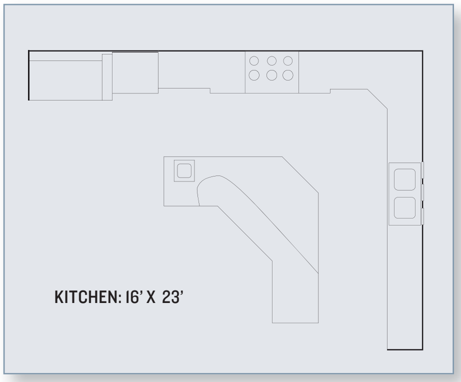
FIT FOR A KING

MERIT, BEST KITCHEN IN A SINGLE-FAMILY DETACHED REMODELED HOME—OVER 5,000 SQUARE FEET

In a design landscape increasingly dominated by clean lines and contemporary finishes, this kitchen eschews the norm but demonstrates just the right way to go ornate. Richly adorned with what builder Glen Lumia calls a "unique take on a traditional style," the space is tricked out with custom mosaics, handcarved crown molding, rich cherry cabinets, and granite countertops with a raised zebra-wood island. A large window over the sink combined with the open flow of the kitchen into the great room keep the overall effect from becoming too heavy or dark.

And while flourishes abound, the space is also a workhorse with a full arsenal of tools. Complementing the usual top-of-the-line appliances are some uncommon extras, including a three-tiered Viking wine fridge with separate temperature controls for each level, and a twin set of Miele ovens offering steam and speed cooking.

Lavish, to be sure. But lavish well done.—*K.W.* *(see page 124)*



Entrant/Builder/Designer: Creative Design Construction, Northvale, N.J.

PHOTOS: PETER RYMWID











PHOTOS: HARVEY SMITH

EVERGREEN KITCHEN, WINTER PARK, FLA.

CLEAN AND GREEN

SPECIAL FOCUS, GREEN DESIGN

IN PURSUING HIS FIRST LEED-CERTIFIED home, some kitchen choices were obvious for designer Phil Kean. Those included 100 percent recycled drywall, Energy Star appliances, an electric induction cooktop, and rapidly renewable bamboo flooring and siding.

But Kean and company also took other inventive measures to keep it green. They specified custom cabinetry made from low-formaldehyde plywood with low-VOC stains, and they had it made locally to eliminate excess emissions from shipping. "Green was our top priority; it governed every choice we made," Kean says.

The result is a space that feels modern and natural at the same time. Dark-stained cabinets provide high contrast against white countertops and stainless steel. But the effect is then softened with natural honey-blonde bamboo flooring, which extends onto the island, giving the island the appearance of "growing out of the floor," Kean says. Green never looked so good.—*K.W.*

Entrant/Builder/Designer: Phil Kean Designs, Winter Park, Fla.; **Interior designer:** CRT Studio, Winter Park

ADINDEX

For more information, go to http://builder.hotims.com

ADVERTISER	PAGE #	PHONE NUMBER
ABC Supply Co. inc.	25, 27	800-786-1210
America's Best Builders Awards	26	
Armstrong Cabinets	2-3	
Bank of America	6	800-344-9403
Budget Blinds Pro	14-15	866-258-5369
Builder 100 Conference	80	
Builders Auction Company	107	713-660-7888
Builder's Choice Awards	127	
Carrier Corp.	**9**	**866-402-6945**
Chamberlain	53	800-323-2276
ClimateMaster	44	800-299-9747
Comcast	48	
Connecticut Stone Supplies	125	203-882-1000
Daikin	18, 19	
Delta	43	
ECR International*	31	
Environment One	99	518-346-6161
Exaktime	10	888-788-8463
Ford	C2-1	
Fypon	128 , 137	800-446-3040
GE Appliances	**40**	**866-251-1753**
Generac	95	888-GENERAC
Georgia-Pacific*	**113**	**800-284-5347**
Homebuilding Community Foundation*	72-73	713-333-2200
Honda Generators	60	
Inspire by The Tapco Group	36	
James Hardie	**39**	**866-4-HARDIE**
JELD-WEN Windows & Doors	**89**	**800-877-9482 x11403**
Knauf Insulation	56	800-825-4434 x8300
LiteSteelbeam	109	877-285-2607
Marvin Integrity*	**72-73**	**800-394-2764**
Masco Home Services - Environments For Living	**62-63**	**866-912-7233**
Mortar Net	97	800-664-6638
NAHB	32, 33, 81, 101, 115, 126	
Napoleon	59	800-461-5581
Norbord	11	
Pella Corp.	**83**	**866-829-9055**
PERC	**32 a-d, 80 a-p, C4**	
Ply Gem Windows	28	
Quality Edge*	113	888-784-0878
Reward Wall Systems*	**31**	**800-468-6344 x713**
Salsbury Industries	12	800-624-5269
Shaw	**46**	
Simpson Strong-Tie	**24**	**800-999-5099**
Sprint	C3	800-NEXTEL-9
Square D by Schneider Electric	**103**	**888-SQUARED**
Stairs, Molding & Millwork Advertorial	138	
StoneCraft by The Tapco Group	51	
Strong Mountain	25	800-936-0844
SwimEx	91	800-877-7946
The Tapco Group	105	
Thermastor	12	800-533-7533
Therma-Tru	**79**	
Time Warner Cable	87	303-705-4575
Trex	20, 21	800-BUY-TREX
Typar, HouseWrap	13	
United Healthcare	54	877-233-0609
Uponor	**71**	**800-321-4739**
Verizon Wireless	**4-5**	**800-VZW-4BIZ**
Verve Lighting	**93**	**877-874-8774**
Viance	16	800-421-8661
VT Industries	64	
Walpole Woodworkers	22	800-343-6948
Weiser Lock	85	800-677-5625
Wells Fargo	77	800-343-0160
Whirlpool Corporation	**75**	**800-253-3977**
Young Manufacturing	35	800-545-6595
Zelman & Associates	111	212-993-5840
Zurich	23	800-431-4823

Bolded Advertisers are members of the National Council of the Housing Industry.
*Issue mailed in regional editions.
Advertisers: To update your listing, contact Lauren Dobos at 202-736-3461 or send an email to ldobos@hanleywood.com

NCHI


CUSTOM HOUSING
PRODUCTION HOUSING
GREEN/SUSTAINABLE HOUSING
DESIGN DETAILS
COMMUNITY DESIGN
REMODELING & REHABILITATION

MARKET-BUSTING HOUSEPLANS

FEATURING NEW PLANS FROM THE NATION'S LEADING DESIGNERS

Builders all over the country are facing increasingly difficult challenges in today's market. In an effort to help builders maximize profits, we are offering all of the plans in this issue of Builder, 20% off regular price. Help your brand stand out and conquer today's market with plans that have personality. Each design features market-busting qualities, including smaller footprints, flexible and open living spaces, simple rooflines, and custom touches that offer comfort and curbside appeal. *Call 1-800-634-4773 by 7/31/09 to take advantage of this special offer.

20% OFF!*



First Floor: 1,214 sq. ft. ■ **Second Floor:** 1,229 sq. ft. ■ **Total:** 2,443 sq. ft. ■ **Bedrooms:** 4 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 52' - 4" X 55' - 10" ■ **Foundation:** Crawlspace, Slab, Unfinished Walkout Basement



FIRST



SECOND

PLAN # HWBI070001 ■ 5-SET $845 ■ 8-SET $940 ■ REPRO $1,145 ■ CAD $1,915 ■ PDF $1,208

SEE MORE HOUSE PLANS AT WWW.BUILDERHOUSEPLANS.COM

 *Call 1-800-634-4773 by 7/31/09 to take advantage of this special offer.

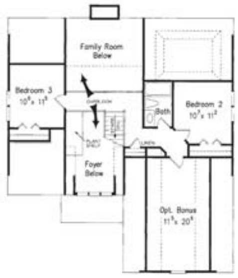


20% OFF!*

First Floor: 1,177 sq. ft. ■ **Second Floor:** 457 sq. ft. ■ **Total:** 1,634 sq. ft. ■ **Bonus Space:** 249 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 41' - 0" X 48' - 4" ■ **Foundation:** Crawlspace, Slab, Unfinished Walkout Basement



FIRST

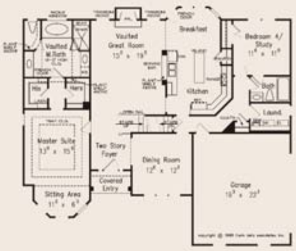


SECOND

PLAN # HWBI070002 ■ **5-SET** $685 ■ **8-SET** $750 ■ **REPRO** $935 ■ **CAD** $1,570 ■ **PDF** $998

First Floor: 1,688 sq. ft. ■ **Second Floor:** 558 sq. ft. ■ **Total:** 2,246 sq. ft. ■ **Bonus Space:** 269 sq. ft. ■ **Bedrooms:** 4 ■ **Bathrooms:** 3 ■ **Dimensions:** 54' - 0" X 48' - 0" ■ **Foundation:** Crawlspace, Slab, Unfinished Walkout Basement

20% OFF!*



FIRST



SECOND



PLAN # HWBI070003 ■ **5-SET** $915 ■ **8-SET** $970 ■ **REPRO** $1,225 ■ **CAD** $2,085 ■ **PDF** $1,288

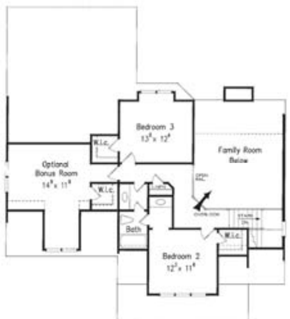


20% OFF!*

First Floor: 1,561 sq. ft. ■ **Second Floor:** 578 sq. ft. ■ **Total:** 2,139 sq. ft. ■ **Bonus Space:** 238 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 50' - 0" X 56' - 6" ■ **Foundation:** Crawlspace, Slab, Unfinished Walkout Basement



FIRST



SECOND

PLAN # HWBI070004 ■ **5-SET** $845 ■ **8-SET** $910 ■ **REPRO** $1,145 ■ **CAD** $1,915 ■ **PDF** $1,208

SEE MORE HOUSE PLANS AT WWW.BUILDERHOUSEPLANS.COM

Square Footage: 2,395 ■ **Bonus Space:** 660 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 62' - 6" X 77' - 4" ■ **Foundation:** Crawlspace, Slab, Unfinished Walkout Basement





20% OFF!*



PLAN # HWBI070005 ■ 5-SET $845 ■ 8-SET $910 ■ REPRO $1,145 ■ CAD $1,915 ■ PDF $ 1,208



20% OFF!*

Main Level: 1,008 sq. ft. ■ **Second Level:** 978 sq. ft. ■ **Lower Level:** 654 sq. ft. ■ **Total:** 2,640 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 3 ■ **Dimensions:** 44' - 0" X 42' - 0" ■ **Foundation:** Finished Walkout Basement



LOWER



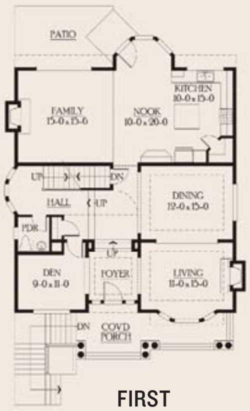
MAIN



SECOND

PLAN # HWBI070006 ■ 5-SET $750 ■ 8-SET $795 ■ REPRO $995 ■ CAD $1,795 ■ PDF $995

First Floor: 1,490 sq. ft. ■ **Second Floor:** 1,415 sq. ft. ■ **Total:** 2,995 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 36' - 0" X 52' - 6" ■ **Foundation:** Crawlspace



FIRST



SECOND

20% OFF!*



PLAN # HWBI070007 ■ 5-SET $750 ■ 8-SET $795 ■ REPRO $995 ■ CAD $1,795 ■ PDF $995

SEE MORE HOUSE PLANS AT WWW.BUILDERHOUSEPLANS.COM

DESIGNED BY: CORNERSTONE DESIGNS, LLC ©FRANK BETZ ASSOCIATES, INC.FIRST;

*Call 1-800-634-4773 by 7/31/09 to take advantage of this special offer.



20% OFF!*

First Floor: 1,220 sq. ft. ■ **Second Floor:** 1,360 sq. ft. ■ **Total:** 2,580 sq. ft. ■ **Bedrooms:** 4 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 50' - 0" X 42' - 0" ■ **Foundation:** Crawlspace



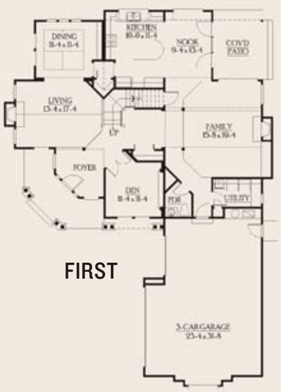
FIRST



SECOND

PLAN # HWBI070008 ■ **5-SET** $750 ■ **8-SET** $795 ■ **REPRO** $995 ■ **CAD** $1,795 ■ **PDF** $995

First Floor: 1,709 sq. ft. ■ **Second Floor:** 1,076 sq. ft. ■ **Total:** 2,785 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 50' - 0" X 76' - 0" ■ **Foundation:** Crawlspace



FIRST



SECOND

20% OFF!*



PLAN # HWBI070009 ■ **5-SET** $750 ■ **8-SET** $795 ■ **REPRO** $995 ■ **CAD** $1,795 ■ **PDF** $995



20% OFF!*

Square Footage: 2,067 ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 70' - 0" X 56' - 0" ■ **Foundation:** Crawlspace, Slab



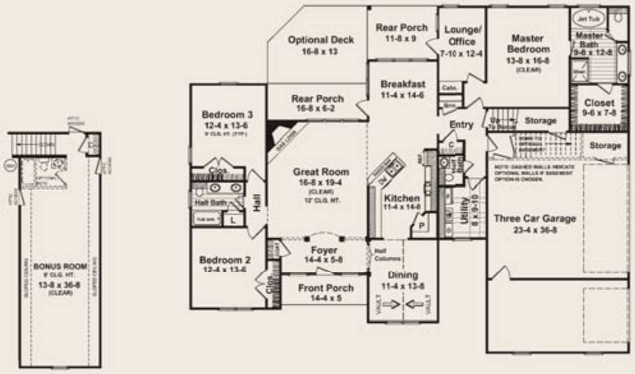
SEE MORE HOUSE PLANS AT WWW.BUILDERHOUSEPLANS.COM

PLAN # HWBI070010 ■ **5-SET** $705 ■ **8-SET** N/A ■ **REPRO** $865 ■ **CAD** $1,415 ■ **PDF** $865

DESIGNED BY: CORNERSTONE DESIGNS, LLC; DESIGNED BY: HOUSE PLAN GALLERY

*Call 1-800-634-4773 by 7/31/09 to take advantage of this special offer. ■ WWW.BUILDERHOUSEPLANS.COM

Square Footage: 2,251 ■ **Bonus Space:** 610 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 73' - 8" X 58' - 4" ■ **Foundation:** Crawlspace, Slab, Unfinished Basement



20% OFF!*



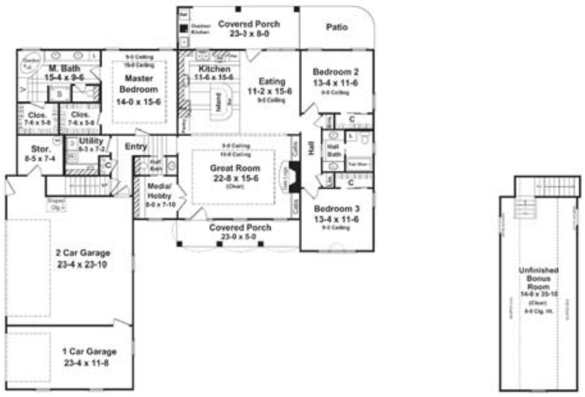
PLAN # **HWB1070011** ■ 5-SET $705 ■ 8-SET N/A ■ REPRO $865 ■ CAD $1,415 ■ PDF $865



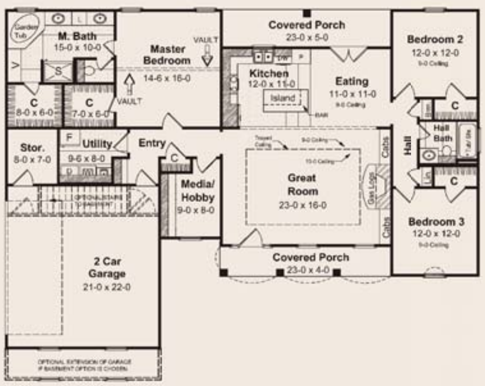
20% OFF!*

PLAN # **HWB1070012** ■ 5-SET $705 ■ 8-SET N/A ■ REPRO $865 ■ CAD $1,415 ■ PDF $865

Square Footage: 2,000 sq. ft. ■ **Bonus Space:** 535 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 69' - 0" X 71' - 1" ■ **Foundation:** Crawlspace, Slab, Unfinished Basement



Square Footage: 1,752 ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 ■ **Dimensions:** 64' - 0" X 45' - 10" ■ **Foundation:** Crawlspace, Slab, Unfinished Basement



20% OFF!*



PLAN # **HWB1070013** ■ 5-SET $645 ■ 8-SET N/A ■ REPRO $805 ■ CAD $1,305 ■ PDF $805

SEE MORE HOUSE PLANS AT WWW.BUILDER HOUSEPLANS. COM

DESIGNED BY: HOUSE PLAN GALLERY

*Call 1-800-634-4773 by 7/31/09 to take advantage of this special offer.

20% OFF!*



PLAN # **HWBI070014** ■ **5-SET** N/A ■ **8-SET** N/A ■
REPRO $850 ■ **CAD** $950 ■ **PDF** $850

Square Footage: 2,027 ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 ■ **Dimensions:** 62' - 0" X 56' - 10" ■ **Foundation:** Slab



First Floor: 2,310 sq. ft. ■ **Total:** 2,310 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 3 ■ **Dimensions:** 72' - 8" X 47' - 8" ■ **Foundation:** Unfinished Walkout Basement

20% OFF!*





PLAN # **HWBI070015** ■ **5-SET** N/A ■ **8-SET** N/A ■
REPRO $950 ■ **CAD** $1,050 ■ **PDF** $950

20% OFF!*



PLAN # **HWBI070016** ■ **5-SET** N/A ■ **8-SET** N/A ■
REPRO $1,100 ■ **CAD** N/A ■ **PDF** $1,100

First Floor: 2,201 sq. ft. ■ **Second Floor:** 599 sq. ft. ■ **Total:** 2,800 sq. ft. ■ **Bedrooms:** 4 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 62' - 0" X 77' - 8" ■ **Foundation:** Unfinished Basement

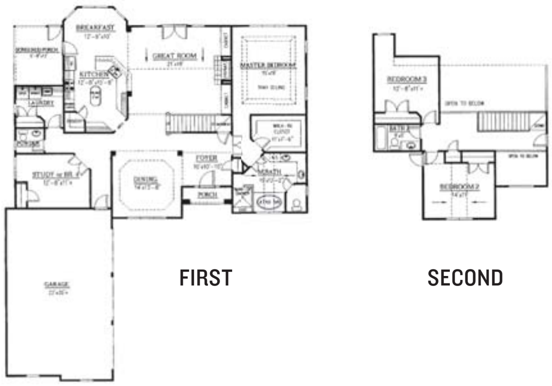


PHOTO COURTESY OF: ©DESIGNS BY TODD W. REED, INC.

SEE MORE HOUSE PLANS AT WWW.BUILDERHOUSEPLANS.COM

First Floor: 2,037 sq. ft. ■ **Second Floor:** 866 sq. ft. ■ **Total:** 2,903 sq. ft. ■ **Bedrooms:** 4 ■ **Bathrooms:** 3 1/2 ■ **Dimensions:** 69' - 0" X 55' - 8" ■ **Foundation:** Unfinished Walkout Basement



20% OFF!*



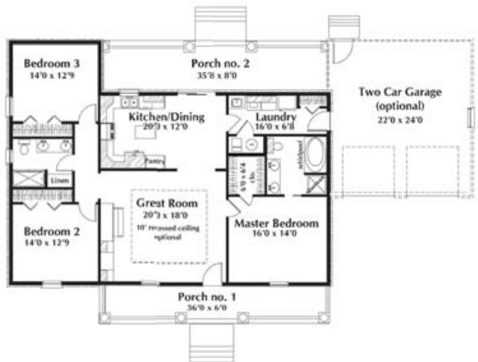
PLAN # HWBI070017 ■ 5-SET N/A ■ 8-SET N/A ■ REPRO $1,100 ■ CAD N/A ■ PDF $1,100



20% OFF!*

PLAN # HWBI070018 ■ 5-SET $670 ■ 8-SET $715 ■ REPRO $870 ■ CAD N/A ■ PDF $870

Square Footage: 1,629 ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 ■ **Dimensions:** 72' - 0" X 44' - 0" ■ **Foundation:** Slab



Square Footage: 1,612 ■ **Bedrooms:** 4 ■ **Bathrooms:** 2 ■ **Dimensions:** 46' - 0" X 64' - 0" ■ **Foundation:** Crawlspace, Slab



20% OFF!*



PLAN # HWBI070019 ■ 5-SET $670 ■ 8-SET $715 ■ REPRO $870 ■ CAD N/A ■ PDF $870

SEE MORE HOUSE PLANS AT WWW.BUILDERHOUSEPLANS.COM

*Call 1-800-634-4773 by 7/31/09 to take advantage of this special offer.



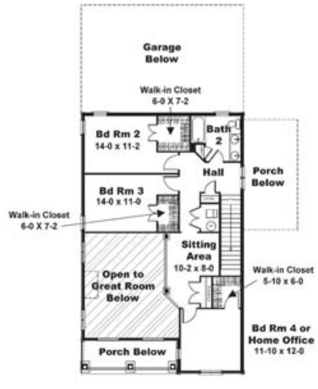
20% OFF!*

PLAN # HWBI030020 ■ **5-SET** $720 ■ **8-SET** $765 ■ **REPRO** $920 ■ **CAD** N/A ■ **PDF** $920

First Floor: 1,407 sq. ft. ■ **Second Floor:** 1,008 sq. ft. ■ **Total:** 2,415 sq. ft. ■ **Bedrooms:** 3 ■ **Bathrooms:** 2 1/2 ■ **Dimensions:** 40' - 0" X 68' - 0" ■ **Foundation:** Crawlspace, Slab



FIRST



SECOND

HOUSEPLANS

ADDITIONAL ITEMS FOR SALE

Visit www.builderhouseplans.com or call for availability

Materials List ($85)
Additional Set ($60)
Mirror Reverse Fee ($55)
Full Reverse Fee ($175)
Line Rendering ($30)
Color Rendering ($100)

Shipping and Handling	5 or 8 set	Repro or CAD
Standard Service (7-10 business days)	$25.00	$20.00
Priority Service (4-5 business days)	$35.00	$25.00
Express Service (2-3 business days)	$45.00	$35.00
CANADA AND OVERSEAS DELIVERIES	Fax, phone, or mail for quote	

- A signature is required for all deliveries
- No COD's, all shipments require a street address, we cannot deliver to PO Boxes
- All delivery times are from the date the blueprint package is shipped
- Some add-on products incur additional shipping charges
- All prices are subject to change

BY PHONE: U.S. toll free: 1-800-634-4773
Canadian toll free: 1-877-6389
Other international orders: 1-520-544-8200

BY FAX: U.S. toll free fax: 1-800-224-6699
Canada and overseas fax: 1-520-544-3086

BY MAIL: Hanley Wood Customer Care Center,
3275 West Ina Road, Suite 260, Tucson, AZ 85741

ORDER PLANS ONLINE!

Go to our Web Site for hundreds of best-selling plans for builders in a form that lets you search by size, type, style, number of bathrooms, and other features, including hot buttons like home offices and first-floor master suites.

www.builderhouseplans.com

ABOUT THE PLANS

A plan order will include ideas for: General specification design notes; exterior elevations of all four views; building sections and details; interior elevations of cabinets and walls with unique conditions; electrical plans; and foundation plans. Basement plans are included only where applicable.

Plans are intended to supply ideas and potential building concepts only. Every location has its own regulations and requirements, which purchasers are responsible for meeting. Purchasers should consult a state-licensed architect before beginning any construction related to these house plans. The plans featured are prepared by independent designers and the publisher is not responsible for their content. Mechanical and plumbing codes and regulations vary widely across the country, and ideas and concepts for this portion of the design are generally not included.

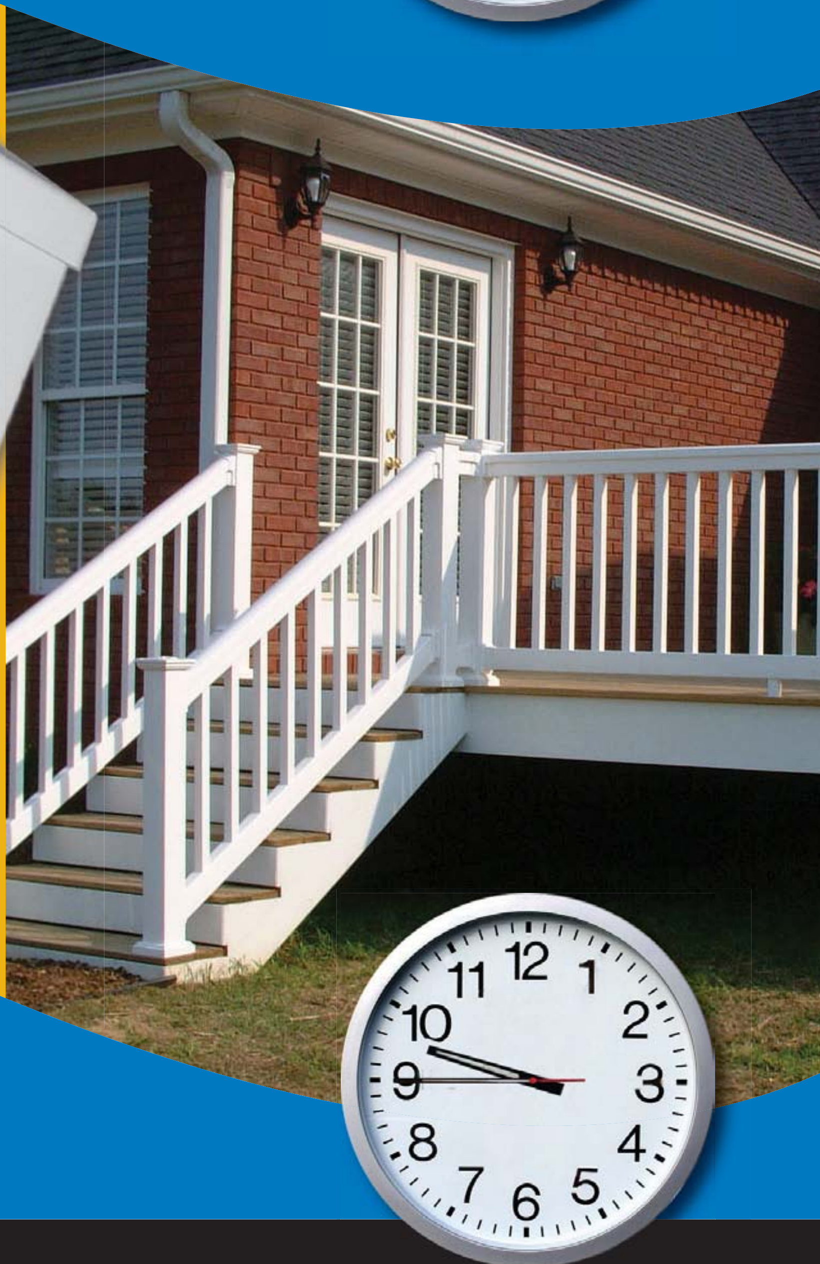
REPRODUCIBLES AND BLUEPRINTS ARE NOT REFUNDABLE. EXCHANGES ON BLUEPRINTS ONLY (CALL FOR TERMS AND CONDITIONS).

HWBI07

YOU'RE SCHEDULED TO INSTALL
A SYNTHETIC RAILING SYSTEM
ON MONDAY AT 9:00.







WHAT DO YOU HAVE
PLANNED FOR 9:45?

QuickRail™ Synthetic Railing System by Fypon®

The unique combination of materials and system design makes QuickRail synthetic railing system one of the most technologically advanced railing systems on the market. Like all Fypon products, QuickRail is virtually maintenance free and will not decay or warp. Strong brackets and rails meet stringent ICC testing requirements. And simple, step-by-step installation ensures all QuickRail products live up to their name. Go to http://builder.hotims.com for more info

QuickRail by Fypon. Performance and efficiency are easy when you have the right stuff.

FYPON®
The Right Stuff.™

www.fypon.com 800.446.3040

Stairs, Molding & MILLWORK

There are few endeavors where attention to small detail does not make a big difference. This is certainly the case in home building. Without fine detail work and elements of architectural interest, a home can look unfinished. Stairs, molding, and millwork represent a prime opportunity for builders to add the finishing touches to a home and give it a distinctive look. Molding and millwork can give a room, an entryway, or an exterior a richer, more textural appearance. And when it comes to stairs, the style and configuration chosen can make for a dramatic focal point. Read on to learn about finely crafted stairs, molding, and millwork that will turn your next home into a showcase.



Melton Classics



M.L. Condon Company

Details That Define

One of the easiest ways to add interest to a home is to install decorative moldings and other architectural details. **Melton Classics** offers the industry's most comprehensive line of exterior millwork products, including architectural columns, balustrades, cornice moldings, and a wide array of low-maintenance millwork products, shipped factory-direct to its customers' job site. The Tennessee estate home shown in the photo was built using Melton Classics' lightweight and load-bearing FiberWound Classic™ lifetime warranty columns, maintenance-free MarbleTex™ balustrades with integral color, and custom design Architectural Urethane™ dentil cornice moldings.

At **M.L. Condon Company**, some things never change. For nearly 100 years, homebuilders have been relying on Condon for high quality, excellent service, and the country's finest selection of exotic and domestic lumber, flooring, moldings, and architectural trims. You can call or fax Condon for a fast, free price quote or to order a color catalog. See contact information for details.

Installing domes on a new or existing ceiling is no longer the challenge it was. **Architectural Products by Outwater**'s new lines of Shallow Decorative Polymer Domes, Fiberglass Round and Elliptical shaped Domes, and Domes with Integrated Light Coves were designed to accommodate the technological challenges often encountered when installing large, dimensional objects on a ceiling. Outwater's new domes are available in both "one step" surface-mounted or recessed-installation formats, and feature one-piece construction that integrates the domes with their peripheral trims for a clean, seamless finish.



Architectural Products by Outwater

Stairs That Make a Statement

Spiral stairs are a great way to access lofts, cupolas, wine cellars, and other unique architectural spaces. A **York Spiral Stair**'s double helix design — with two handrails, more useable tread space, and no center post — makes for a more beautiful and practical spiral stair. Shipped prefabricated and nearly fully assembled, York Spiral Stairs are available in a variety of hardwoods, five different diameters, and heights of up to 14 feet.

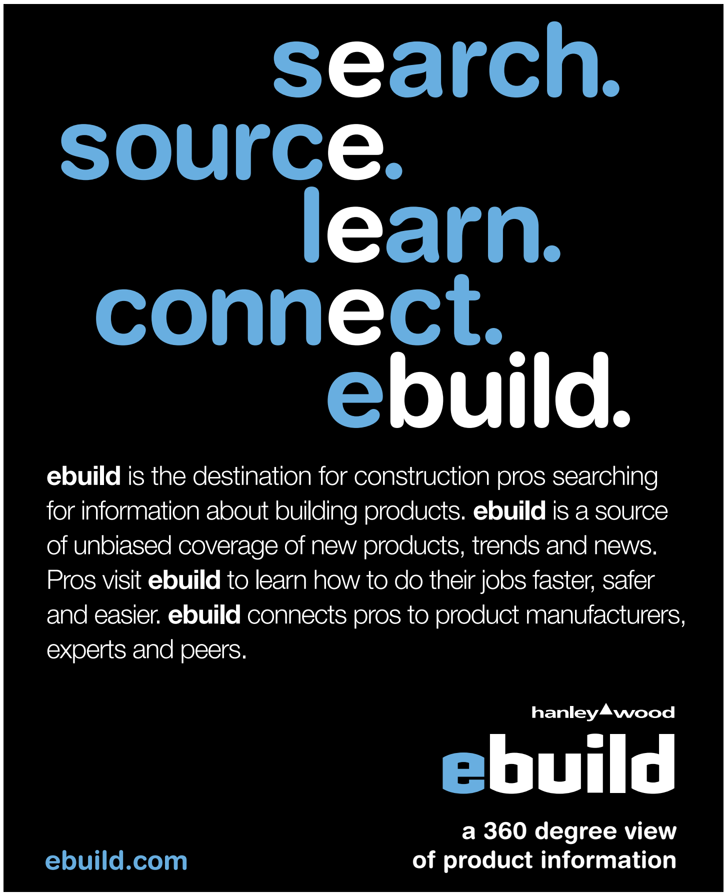
For more information on other high-quality manufacturers of stairs, molding, and millwork, keep reading through this special section.

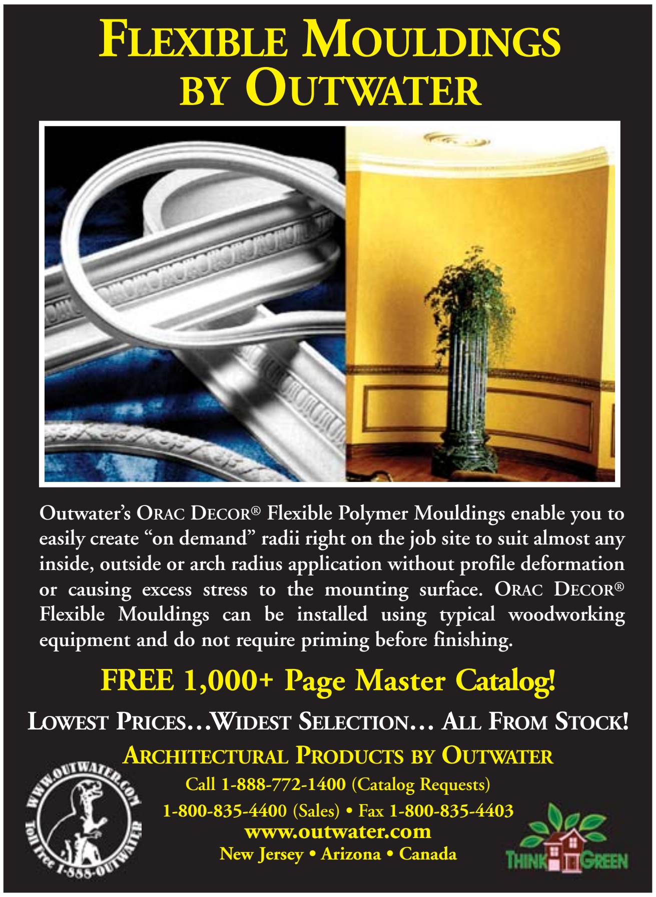


York Spiral Stair

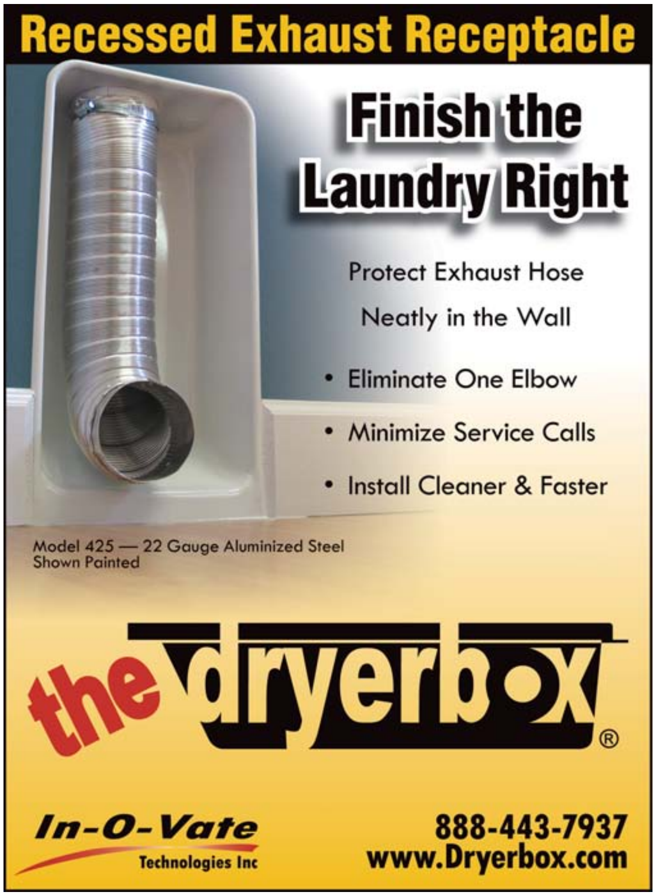
- **Melton Classics:** Call 800-963-3060 or visit www.meltonclassics.com
- **M.L. Condon Company:** Call 914-946-4111 or visit www.condonlumber.net
- **Architectural Products by Outwater:** Call 800-835-4400 or visit www.outwater.com
- **York Spiral Stair:** Call 800-996-5558 or visit www.yorkspiralstair.com

Go to http://builder.hotims.com for more product information

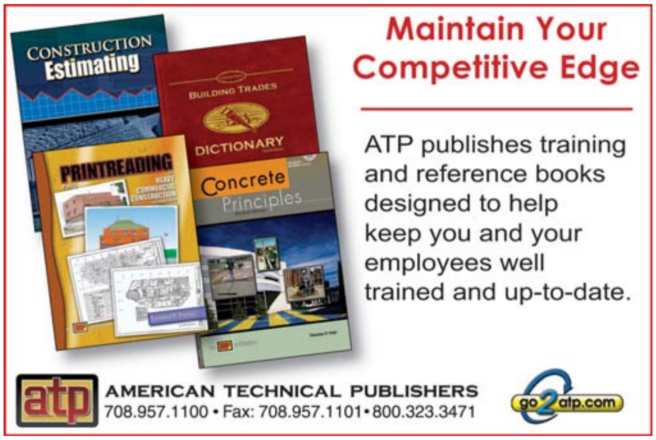

search.
source.
learn.
connect.
ebuild.
ebuild is the destination for construction pros searching for information about building products. ebuild is a source of unbiased coverage of new products, trends and news. Pros visit ebuild to learn how to do their jobs faster, safer and easier. ebuild connects pros to product manufacturers, experts and peers.
hanley wood
ebuild
a 360 degree view of product information
ebuild.com


FLEXIBLE MOULDINGS BY OUTWATER
Outwater's ORAC DECOR® Flexible Polymer Mouldings enable you to easily create "on demand" radii right on the job site to suit almost any inside, outside or arch radius application without profile deformation or causing excess stress to the mounting surface. ORAC DECOR® Flexible Mouldings can be installed using typical woodworking equipment and do not require priming before finishing.
FREE 1,000+ Page Master Catalog!
LOWEST PRICES...WIDEST SELECTION... ALL FROM STOCK!
ARCHITECTURAL PRODUCTS BY OUTWATER
Call 1-888-772-1400 (Catalog Requests)
1-800-835-4400 (Sales) • Fax 1-800-835-4403
www.outwater.com
New Jersey • Arizona • Canada
WWW.OUTWATER.COM
Toll Free 1-888-OUTWATER
THINK GREEN


COLUMNS, BALUSTRADES & MOULDINGS
For Your Custom Quotation Call: (800) 963-3060
Using only the highest quality materials and workmanship, each Melton Classics™ product is hand-crafted, inspected and monitored during manufacturing to ensure the unsurpassed quality our customers have come to expect. Quality architectural products available from Melton Classics™ include:
• Fiberglass Columns
• Poly/Marble Columns
• Synthetic Stone Balustrades & Columns
• Wood Columns
• Cast Stone Balustrades & Details
• Polyurethane Balustrades, Mouldings & Details
• GFRC Columns & Cornices
• GRG Columns & Details
Melton Classics™ Incorporated
www.MeltonClassics.com
Professional Builder
100 BEST NEW PRODUCTS
2007


Recessed Exhaust Receptacle
Finish the Laundry Right
Protect Exhaust Hose Neatly in the Wall
• Eliminate One Elbow
• Minimize Service Calls
• Install Cleaner & Faster
Model 425 — 22 Gauge Aluminized Steel Shown Painted
the dryerbox®
In-O-Vate Technologies Inc
888-443-7937
www.Dryerbox.com

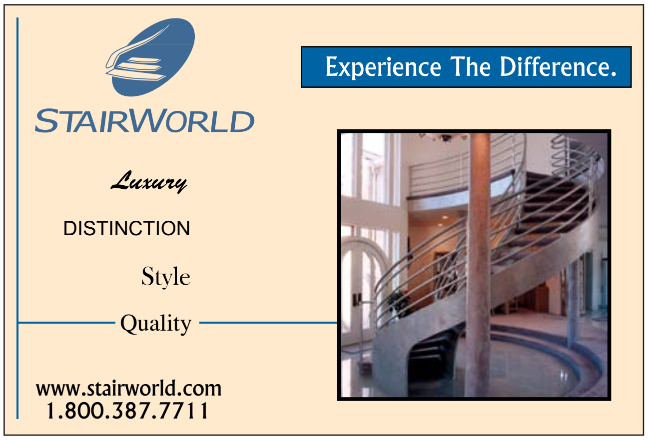

WASTEQUIP TENNESSEE
Nationally known for personal service
395 South Main Street • P.O. Box 99 • Eagleville, TN 37060
Ph: (615) 274-6660 • Toll Free: 1-800-643-8713
Fax: (615) 274-2636 • www.holtequipment.com
When you have "TONS" of work to do!
TH-03 Bumper Hitch
mini roll-off Trailer System
3 1/2 ton payload
Model T-96-144 8,000# Truckhoist
17,000 GVW
Recommended for 4 ton payload
GNT-144 Gooseneck Model
minimum truck size 1 ton
3 1/2 ton payload
Model T140-192 20,000# Truckhoist
minimum 26,000 GVW recomended
for 7 1/2 ton payload
Trailhoist Mini Rolloff System
Advantages: Versatility translates into savings.
30 Years of INTEGRITY, QUALITY and COMMITMENT
RELIABLE, EFFICIENT, INDUSTRY PROVEN
Call us at 800-643-8713 to receive a Free packet
complete with pricing, specs and literature.


Maintain Your Competitive Edge
ATP publishes training and reference books designed to help keep you and your employees well trained and up-to-date.
Construction Estimating
Building Trades Dictionary
Printreading
Concrete Principles
atp
AMERICAN TECHNICAL PUBLISHERS
708.957.1100 • Fax: 708.957.1101 • 800.323.3471
go2atp.com


A superior quality, custom organizing system.
Installs over 100% faster than conventional systems.
FLEXIBLE DESIGNS
EASY INSTALL
CUSTOM FIT
STOR-X™
Organizing Systems
1-877-275-6868


REST ASSURED
UL Listed
Certified Fire Protection
Lifetime warranty
30 Models of Safes & Vault/Panic Rooms
8 Luxurious Colors with Variety of Modular Interiors
FORT KNOX
SECURITY PRODUCTS
"THE MOST TRUSTED NAME IN SECURITY"
800-821-5216 • www.ftknox.com


PRO TECT II
ASSOCIATES, INC
Name the surface.
We can protect it.
THE SURFACE & SAFETY PROTECTION CENTER
CALL TODAY!
free catalog - 800.545.0826
shop online - www.pro-tect.com


STAIRWORLD
Experience The Difference.
Luxury
DISTINCTION
Style
Quality
www.stairworld.com
1.800.387.7711


SUBSCRIBE TO
Builder
Now is the best time to stay informed of industry news – by subscribing to Builder.
GO TO
www.omeda.com/bldr
or call toll-free 1-888-269-8410


We've built the perfect partner to your favorite magazine.
builderonline.com
Industry news, market research, job postings and more.
All online. All the time.
BUILDER Online + BUILDER magazine
Working together to keep you informed.
hanley wood
BuilderOnline

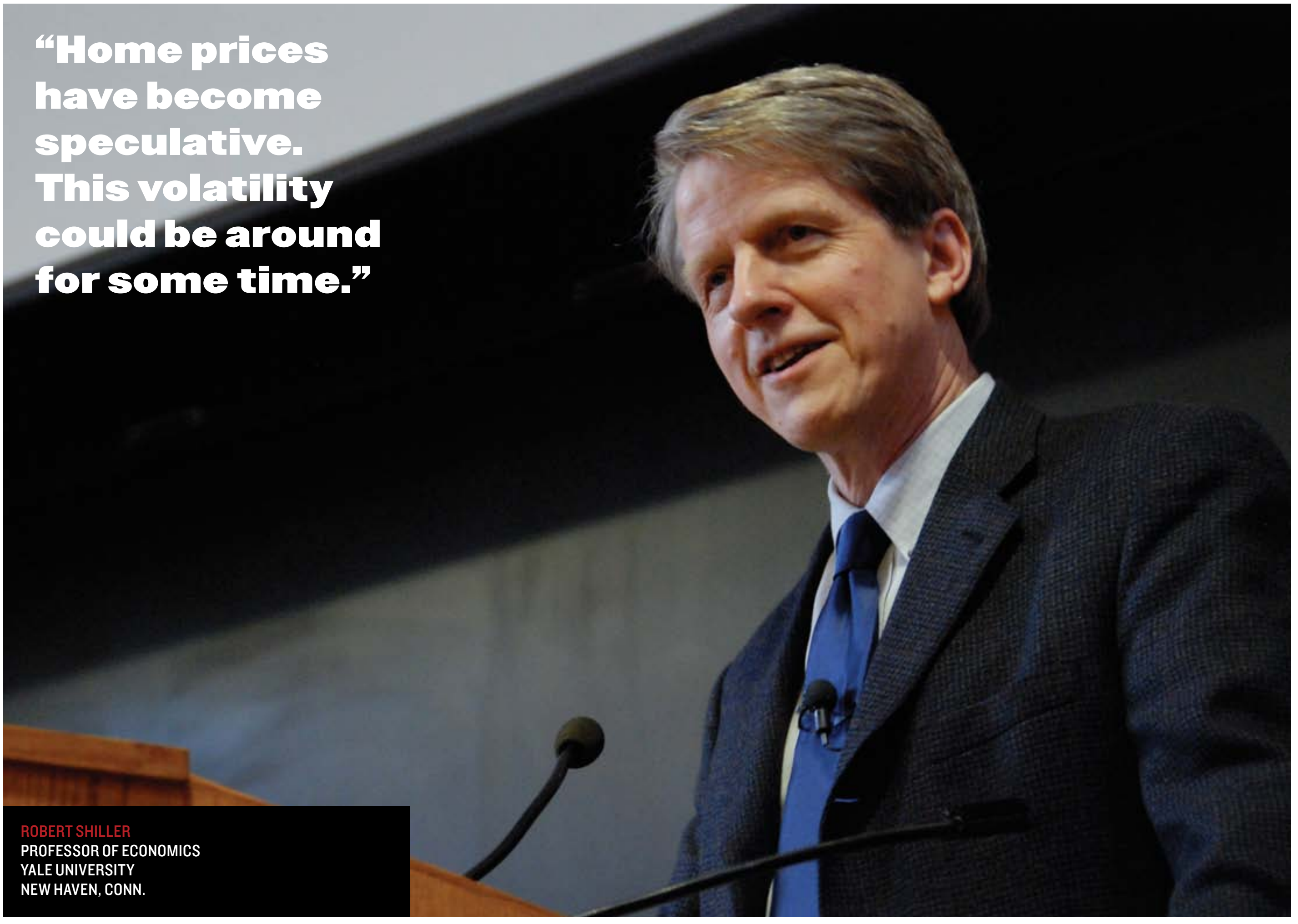





Spiral
Stair Kits
Add beauty & space saving functionality to any room.
Metal Spiral
Oak Spiral
Victorian One Spiral
You'll find the spiral stair kit that's right for your home.
THE IRON SHOP®
The Leading Manufacturer of Spiral Stair Kits®
Call for the FREE color Catalog
1-800-523-7427 Ask for Ext. B
or visit our Web Site at
www.TheIronShop.com/B


www.SNOBLOX-SNOJAX.com
IceBlox Inc., D.B.A
SNOBLOX SNOJAX
The Originator of Polycarbonate Snow Guards!
www.SNOJAX.com
With Guards
Without Guards
8 Stock Colors
16 Snow Guard Products In Stock and Ready to Ship
COLOR RAIL
New in 2009! Fully Painted Aluminum Rail System
LEAF BLOX
LeafBlox.com Gutter Leaf Protection
VentSaver.com Vent Pipe Protection
Toll Free: 1-800-SNOJAX-1
Ph: 717-697-1999
1405 Brandton Rd
Mechanicsburg, PA 17055
Get INSTANT Snow Guard Estimates & Spacing Layouts at www.SPACINGTOOL.com


Design
Permit
Estimate
Sell
3D by:ddd.ca
SoftPlan Raises the Bar
"much faster and more accurate than the competition"
-Remodeling Magazine
For a free trial version
visit www.softplan.com
call 1-800-248-0164
Version 14
SOFTPLAN
ARCHITECTURAL DESIGN SOFTWARE



ROBERT SHILLER
PROFESSOR OF ECONOMICS
YALE UNIVERSITY
NEW HAVEN, CONN.

As the housing market rose and fell this decade, the S&P/Case-Shiller Home Price Index, which tracks quarterly prices for existing homes in 10 and 20 metro markets, became a widely watched barometer. One of its creators is Robert Shiller, Arthur M. Okun Professor of Economics at Yale University. Shiller is the author of such best-selling books as *Irrational Exuberance* and *Animal Spirit*. He is also a founder of MacroMarkets, an investment and risk management consulting firm.

On Sept. 30, Shiller will be in Germany to receive the 2009 Deutsche Bank Prize for Financial Economics. The award honors economists whose work has led to advances in economic theory and practice.

Builder caught up with Shiller during a recent housing conference in New York, where he was speaking.—*John Caulfield*

Q: At some point house prices will settle. But will that usher in a sustained period of affordability or simply last until most of the unsold inventory and foreclosures get cleared out?

A: That's a difficult question, because home prices have become speculative. This volatility, though, could be around for some time, because I'm worried that the stimulus package isn't big enough.

Q: In an interview last year, you observed that the 1930s eventually became a time of great innovation. Do you expect the same thing to happen in the late 2000s?

A: I hope so, but we have years to go. Obama has brought in a lot of good people, but he's seen as a Messiah, and that will be hard to live up to.

Q: Last year, MacroMarkets created a securities instrument for investing in fluctuating oil futures. Have you thought about doing something similar for housing?

A: In April, we launched a product, initially for the U.S. and eventually for individual cities, which is based on the S&P/Case-Shiller composite of 10 metro markets. It will allow people to invest in securities as home prices go up, or as a hedge against prices continuing to go down. The long-range plan is to create securities that cover other risks, like health.

JEFFREY LEVICK

Sprint





It's about building a tangible connection. You're not just creating the shortest distance between two points, you're linking cities, people and life—and keeping order in a precarious world of beams, cables, concrete and steel.

Nextel Direct Connect lets you keep your build site on track and in touch, so even if you're atop a crane and your crew is across a river, we'll help you bridge the gap.

Nextel Direct Connect.® Only on the Now Network.™

To see Nextel Direct Connect in action, go to ***sprint.com/nextel***

1-800-NEXTEL-9

THE FASTEST NATIONAL PUSH-TO-TALK NETWORK.
Connecting the world's largest push-to-talk community.

Go to http://builder.hotims.com for more info

Propane. Enough green to get you over 100 points closer to the standard.

	MAXIMUM POINTS FROM PROPANE	MINIMUM POINTS TO MEET STANDARD
Energy efficiency: propane heating, cooling, hearth, and water heating systems are extremely efficient	53	30
Indoor environmental quality: propane furnaces, water heaters, and direct-vent appliances earn points	20	36
Water efficiency: propane tankless and tank water heaters can meet or exceed requirements	3	14
Resource efficiency: propane tanks contain more than 70% recycled steel and brass; gas line scraps are recyclable	8	45
Lot design, preparation and development: underground and above-ground propane tanks provide installation flexibility and don't require much soil turnover	10	39
Operation, maintenance, and homeowner: propane safety and operation materials are readily available	7	8
Additional points from selections of your choice	–	50
TOTALS	**101**	**222**

Build with propane and earn over 100 points toward the National Green Building Standard.

These days, homebuyers are looking for ways to help save energy and protect the environment. When you build with propane, you'll provide your customers with an efficient, reliable, clean energy that's available right now. The proof is in the National Green Building Standard. With propane, you can earn over 100 points just for making a smart energy choice. And with the new Stimulus Package, there's even more incentive to recommend energy-efficient propane appliances to your clients. For more on all the green and economical benefits of propane, visit buildwithpropane.com/stimulus.

Builder 100 CONFERENCE hanley wood



PROPANE
EXCEPTIONAL ENERGY®